



ANNUAL REPORT 年報

2008

保華建業集團有限公司

Paul Y. Engineering Group Limited

Stock code 股份代號: 00577.HK

Evolution makes us Stronger

優化建業 蛻變更強

EVOLUTION MAKES THE STRONG STRONGER

建基立業 邁向高峯

In over sixty years of our own evolution, Paul Y. Engineering has been improving best practices, partnering with the best clients, producing best work and developing the strengths we believe will be needed in the future.

The cover of this annual report is an apt illustration of our business that has been always growing. And now we are set to climb up even faster and capture the opportunities in every aspect of our industry, from dream to creation to sustaining force.

But we know that it is not enough to be strong – favourable conditions are needed to thrive. So we feel fortunate to be a part of this moment in history. As China and the Asia-Pacific region continue their own evolution, we are poised to contribute to and benefit from the advantageous climate that we live in.

保華建業集團六十多年來一直與時並進，在追求最高的營運效率，與客戶建立最衷誠的合作關係，建設最優良的地標之餘，更放眼將來，裝備自己，配合瞬息萬變的市場。

本年報封面摩天大樓節節上升的投射意象，象徵保華建業的業績穩步上揚，業務範疇持續擴展，涉足更高回報的業務，憑著創新構思、專業建造及持續管理，全面捕捉物業發展各個層面的商機。

在自強之餘，天時地利配合亦是成功的關鍵。集團面向急速發展的中國及亞太市場，將繼往開來，積極參與這些地區的蛻變過程，並從中為股東帶來回報。

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WORLD CLASS ACHIEVEMENTS

世界級成就

Paul Y. Engineering strives to set new records and contribute to historical moments. We do this by gaining new insights, creating innovations and delivering product and service excellence in order to reach new heights.

保華建業集團憑藉創新思維、尖端技術，以及提供優質服務，力求屢創佳績，並為創造歷史時刻作出貢獻。



VENUES IN
HONG KONG FOR
THE BEIJING
OLYMPICS 2008
2008 北京奧運香港場館

LANDMARK
IN
NANTONG
南通市地標

NEW DEEP-SEA
PORT IN
JIANGSU PROVINCE
江蘇省全新落成
深海港口

FOCUS OF LUXURY
RESIDENTIAL
DEVELOPMENTS
2008年香港
豪宅市場焦點

SELECTED PROJECTS 部份項目

2007-08

Residence Bel-Air
貝沙灣

The ultimate in luxury lifestyle
奢華生活的極致



**Improvement works
on the Hong Kong
International Airport**

香港國際機場改善工程

Continuous improvement of
what we have built
精益求精，力臻完美

Yangkou Port
洋口港

An up-and-coming port built with
innovative technologies
創新技術建設造就全新港口



Celestial Heights
半山壹號

Focus of the high-end
residential market in 2008
2008年高級住宅市場焦點



**Nantong International
Trade Center**

南通國際貿易中心
Grade-A office complex
in Nantong City
南通市甲級商業大廈



**Olympics
Equestrian Venues**
奧運馬術比賽場地

Setting the stage of exciting
moments in Hong Kong
為香港迎接興奮時刻作好準備



HONG KONG
香港

BEIJING
北京

SHANGHAI
上海

CHONGQING
重慶

GUANGZHOU
廣州

HANGZHOU
杭州

MACAU
澳門

KUWAIT
科威特

Established in Shanghai and listed in Hong Kong, Paul Y. Engineering has developed a nationwide team to capture opportunities and bring our experience to the world's most dynamic markets. With local staff and global insight, we know how our clients do business and what they need for the future.

保華建業始建於上海，於香港上市，雲集各地的人才精英，務求善用集團的豐富經驗，抓緊不同市場的商機。我們的團隊揉合本地專才與國際視野，熟知各地客戶的營運模式，及其長遠需要。

GEOGRAPHICAL EXPANSION

擴展版圖

SELECTED PROJECTS 部份項目

2007-08

Landmark East
城東誌

New landmark of East Kowloon
九龍東新地標



The ISF Academy
弘立書院

Unique school campus
獨特的校園設施

Arraya Office Tower
Arraya 辦公大樓

One of the tallest buildings
in Kuwait City
科威特最高建築物之一





**Infrastructural Works for
Pak Shek Kok Development**
白石角發展計劃基礎設施工程

Commuting between up-and-coming
communities
連繫新發展社區



Le Royal Arc
澳門凱旋門

Unparalleled extravagance in Macau
另一令人目眩的娛樂場所

**Public Housing Development
in Shek Mun, Sha Tin**
沙田石門公共房屋發展項目

Winner of the Gold Award in Building Sites
(Public Sector Category) of the Construction
Industry Safety Award Scheme 2007/2008
建造業安全獎勵計劃(2007/2008)金獎





INTEGRATED BUSINESS 綜合業務

Opportunities don't have boundaries – so you need to be flexible to catch them. Paul Y. Engineering has streamlined its business structure to cover every stage of the property life-cycle, and we now have the capability to deliver total development solutions with flexible components to our clients.

機會無遠弗界，必須靈活變通，方能一再成功。保華建業完善其業務架構，涵蓋物業整個發展過程。我們能提供全面而靈活的方案，滿足客戶需要。



DEVELOPMENT
MANAGEMENT
發展管理

PROJECT
MANAGEMENT
項目管理

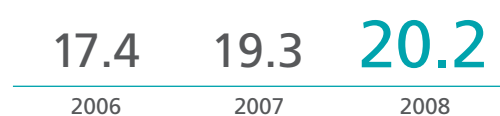
FACILITIES AND
ASSET MANAGEMENT
設施及資產管理

CONSTRUCTION
MANAGEMENT
建造管理

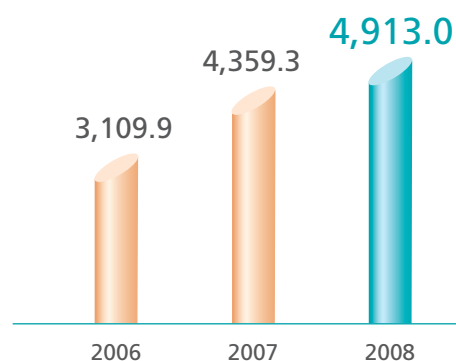
Financial Highlights 財務摘要

		2008 HK\$'million 百萬港元	2007 HK\$'million 百萬港元	Percentage change 百分率變動
Turnover	營業額	4,913.0	4,359.3	+13%
Earnings before interest and taxation	未計利息及稅前 盈利	139.1	116.9	+19%
Profit attributable to equity holders	權益持有人應佔 溢利	119.5	112.6	+6%
Shares outstanding (million)	發行股份 (百萬股)	597	590	+1%
Net asset value per share (HK\$)	每股資產淨值 (港元)	0.88	0.75	+17%
Earnings per share (HK\$)	每股盈利 (港元)			
• Basic	• 基本	0.202	0.193	+5%
• Diluted	• 攤薄	0.200	0.193	+4%
Dividend per share (HK\$)	每股股息 (港元)			
• Final	• 末期	0.055	0.055	—
• Interim	• 中期	0.035	0.035	—
		0.090	0.090	—
Total assets	總資產值	2,632.8	2,561.4	+3%
Net current assets	流動資產淨值	342.0	261.6	+31%
Net cash	淨現金	265.8	172.1	+54%
Equity attributable to equity holders	權益持有人應佔 權益	523.8	442.1	+18%
Operating cash flow	經營業務現金流	55.2	123.7	-55%
Net cash flow	淨現金流	99.8	29.2	+242%
Current ratio	流動比率	1.16	1.13	+3%
Net cash/equity ratio	淨現金／資本比率	0.51	0.39	+31%
Gearing ratio	負債資本比率	0.39	0.51	-24%
Long term debt/equity ratio	長期負債／資本比率	0.01	0.12	-92%

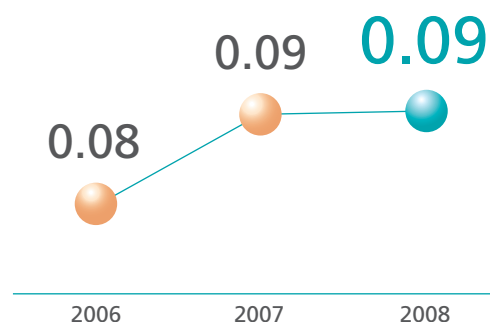
Earnings per share – Basic (HK cents)
每股盈利 – 基本 (港仙)



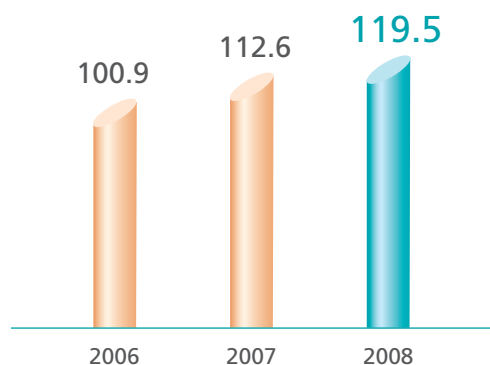
Turnover (HK\$'million)
營業額 (百萬港元)



Dividend per share (HK\$)
每股股息 (港元)



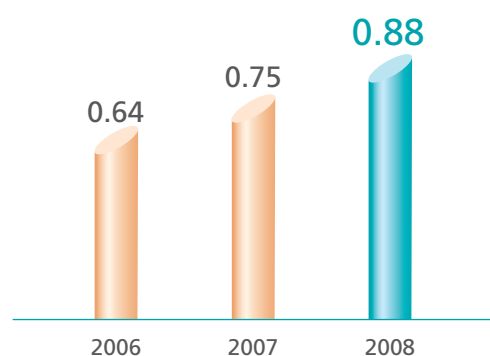
Profit attributable to equity holders (HK\$'million)
權益持有人應佔溢利 (百萬港元)



Dividend payout ratio
股息派息率



Net asset value per share (HK\$)
每股資產淨值 (港元)



THE OPTIMIZATION OF OUR BUSINESS FUNCTIONS HAS BEEN SUCCESSFUL AND WE ARE NOW SET TO USE OUR WEALTH OF EXPERIENCE AND EXPERTISE TO TAP THE OPPORTUNITIES.

業務優化至今已取得成效，集團今後將有效運用其豐富經驗與專長，充分把握市場上的種種機遇。



Ir James Chiu, OBE, JP
Chairman

趙雅各工程師，OBE，JP
主席

Dear Shareholders,

It is my pleasure to present the annual report of Paul Y. Engineering Group Limited (together with its subsidiaries, the “Group”) for the year ended 31 March 2008.

Our 2008 results represent another year of focused work and sustained growth. Our turnover was approximately HK\$4,913 million (2007: HK\$4,359 million), an increase of approximately 13% compared to the previous year. Profit attributable to shareholders reached approximately HK\$119 million (2007: HK\$113 million) – an increase of approximately 6% year on year. The board of directors (the “Board”) maintains a stable dividend policy and has proposed a final dividend of 5.5 HK cents per share, which, together with the interim dividend of 3.5 HK cents per share, equals to a payout ratio of approximately 45% for this financial year. Return on equity was approximately 23%, down 2% year on year.

Following an upward trend

In our interim report, I said that we have streamlined our business structure and expanded the scope of our services. I am pleased to report that the optimization of our business functions has been successful. Our three core business functions – Management Contracting, Property Development Management and Property Investment have formed concerted force, and we are now set to use our wealth of experience and expertise to tap the opportunities that exist in all segments of the property industry.

The Management Contracting business, which we have built an enviable track record in the 60 years since we began, remains our solid ground for value creation. Moving up the value chain we have Property Development Management, which covers the whole life-cycle of a property, including asset management, project management and facilities management. Then our Property Investment, led by top management, will take the Group to the next level of development.

The creation of value is not limited to one way – it could start with a new property investment, which is then managed by property development management, and finally implemented by our construction arm. On the other hand, our clients may consider engaging us to fulfill their need for total property management and even investment solutions.

各位股東：

本人欣然向 閣下提呈保華建業集團有限公司(連同其附屬公司,「本集團」)截至二零零八年三月三十一日止年度之年報。

本集團在二零零八年繼續發揮所長,業務持續發展。年內營業額達約49.13億港元(二零零七年:43.59億港元),較去年增加約13%。股東應佔溢利達至約1.19億港元(二零零七年:1.13億港元),年增幅約6%。董事局(「董事局」)維持穩健的股息政策,建議派發每股末期股息5.5港仙,連同每股3.5港仙中期股息,本年度股息派息率約為45%。資本回報率為23%,年減幅約2%。

向更上一層樓的業績進發

我曾於中期報告中表示,本集團已理順了業務架構,並擴充了業務範疇。公司業務優化至今已取得成效。集團三大核心業務——承建管理、物業發展管理、物業投資,三者環環相扣,成為我們增值的動力。本集團今後將運用其豐富經驗與專長,充分把握物業市場每一環節的種種機遇。

本集團的承建管理業務,創辦六十多年來,締造驕人成就,為長遠發展定下穩建的基礎。在此之上發展增值的是物業發展管理,涵蓋物業發展的不同階段,包括資產管理、項目管理及設施管理等等;而物業投資業務,在管理層領導下,將引領本集團再上一層樓,開拓更高層次的業務發展。

此股增值動力並非單向,而是具備多種發展方向的可能性;業績可始於一項新的物業投資,然後通過物業發展管理推行實現,再憑藉建築工程創造而成。另一方面,本集團亦可為固有的建築客戶提供全面物業管理服務,甚至投資方案,不斷提升合作層次。

OUR ORGANIZATION CAN BE REPRESENTED ON PAPER, BUT IT IS OUR STAFF THAT MAKES THIS METAPHOR THREE-DIMENSIONAL, THAT GIVES IT LIFE, MOVEMENT AND SPIRIT.

本集團的業務架構及發展藍圖已經躍然紙上，然而必須有優秀的員工隊伍，方能令願景演化成具體業績。

Admiring the drive of our staff

Our organization can be represented on paper, but it is our staff that makes this metaphor three-dimensional, that gives it life, movement and spirit. And that is not just my opinion – their professionalism and dedication have been rightly acclaimed this year, with the Quality Building Award 2008, an Outstanding Award in the Considerate Contractor Site Awards, and a Gold Award in the Construction Industry Safety Awards etc.

They also support our contributions to corporate social responsibility including sponsorship of scholarships and industry events. In May 2008, a timely staff donation campaign was organized to support relief work at the sites of the Sichuan earthquake. The Group donated a total of HK\$2.5 million, which included staff donations, double-matching funds by the Group and an additional contribution to help us reach this mark.

向充滿幹勁的同事致意

本集團的業務架構及發展藍圖已經躍然紙上，然而必須有優秀的員工隊伍，方能令願景演化成具體業績。管理層固然以保華建業的員工而自豪，而本集團今年贏得的多個獎項，包括二零零八年度優質建築大獎、多個公德地盤獎、建造業安全獎勵計劃金獎等等，亦是對他們的努力及專業水平的肯定。

對於本集團履行社會責任，贊助各項獎學金和業界盛事，同事亦一向鼎力支持。二零零八年五月，同事迅速展開籌款，支持四川地震的賑災工作。本集團捐款總額高達250萬港元，實為同事踴躍捐輸、本集團對員工捐獻作出雙倍配對並加上額外捐款，集腋成裘，共同達成之善舉。

DIVIDEND PAYOUT RATIO
股息派息率

45%

RETURN ON EQUITY
資本回報率

23%

**RESIDENCE BEL-AIR,
FINALIST IN QUALITY
BUILDING AWARD
(RESIDENTIAL CATEGORY)
2008.**

貝沙灣獲選2008年度
優質建築大獎
(住宅樓宇類別)最後五強。



Working together for the future

On behalf of the Board and myself, I would like to thank former Executive Director Mr Lee Hon Chiu for his invaluable contribution to the Group over the years. I would also like to thank my fellow Board members and our staff. Our continued success is directly attributable to their loyalty, dedication and personal contributions to the Group. I would like to take this opportunity to welcome Mr Cheung Lee Ming, Andy, our Executive Director & Chief Financial Officer on board. I also gratefully acknowledge the continued support of our clients and business partners.

Finally, I would like to add my heartfelt thanks to our shareholders for your ongoing support. Paul Y. Engineering has laid a foundation for long-term success and we are committed to continued focus on enhancing your returns in the future.

James Chiu, OBE, JP
Chairman

Hong Kong, 18 July 2008

為集團的未來共勉

我謹代表董事局全人，感謝前執行董事李漢潮先生多年來對本集團所作貢獻致意；並感謝董事局全人及本集團所有同事。公司的佳績得以持續，全賴各位竭誠盡忠，全心全意，獻身工作。我亦藉此機會歡迎執行董事兼財務總裁張利民先生加入本集團；並對本集團所有客戶與業務夥伴的長期支持深表謝意。

最後，我亦衷心感謝各位股東多年來對本集團的擁護及支持。保華建業已為長遠發展奠下穩固根基，今後定將為股東帶來豐厚回報而努力不懈，以回饋各位的支持。

趙雅各, OBE, JP
主席

香港，二零零八年七月十八日

Dear Shareholders,

I am delighted to present the annual results of Paul Y. Engineering Group Limited ("Paul Y. Engineering" or the "Company") and its subsidiaries (the "Group") for the year ended 31 March 2008, together with comparative figures for 2007. Set out on pages 68 to 153 of this report are the consolidated statements for income, cash flow and changes in equity, and the Group's consolidated balance sheet, all of which are audited, together with explanatory notes. The annual results have been reviewed by the Company's Audit Committee.

This year has been important to Paul Y. Engineering. We delivered the venues for the Equestrian Games of the Beijing 2008 Olympics, and were awarded numerous new projects in Hong Kong and the Mainland. Despite the disruption of the bar-benders' strike in September 2007, the Group maintains its positive momentum and continues to deliver encouraging outcomes, while vigorous efforts have been undertaken in order to remain competitive amid an era of inflation and financial volatility.

Review of financial performance and positions

For the year ended 31 March 2008, the Group's consolidated turnover was approximately HK\$4,913 million, a 13% increase from last year.

Gross profit of approximately HK\$234 million was achieved as compared with a corresponding gross profit of approximately HK\$167 million for last year. Share of results of associates was approximately HK\$29 million which comprised of the profit from the disposal of the Group's 25% interest in Paul Y. Centre. Profit attributable to equity holders of the Company for the year was approximately HK\$119 million versus approximately HK\$113 million for last year. Basic and diluted earnings per share were 20.2 HK cents and 20.0 HK cents respectively.

各位股東：

本人欣然向閣下提呈報告保華建業集團有限公司（「保華建業」或「本公司」）及其附屬公司（「本集團」）截至二零零八年三月三十一日止年度內錄得之全年業績，以及二零零七年之比較數字。本集團之綜合收益表、綜合現金流動表及綜合權益變動表，以及本集團之綜合資產負債表均經審核，並附載說明性之附註，載於本年報第68頁至第153頁。本業績已經本公司之審核委員會審閱。

本年度對保華建業而言是重要的一年。年內集團圓滿承建二零零八年北京奧運會馬術賽事場地，並承接多項香港與內地的新工程。雖然二零零七年九月發生扎鐵工人罷工事件，但集團仍然在通脹及波動的金融環境中不斷進取，成功保持競爭優勢，繼續造出良好的業績。

財務表現及狀況回顧

於截至二零零八年三月三十一日止年度，本集團之綜合營業額約為4,913,000,000港元，與去年同期相比，增長13%。

毛利約為234,000,000港元，相比之下，去年同期之毛利則約為167,000,000港元。攤佔聯營公司業績約29,000,000港元，包括本集團出售保華企業中心25%權益之溢利。本年度之本公司權益持有人應佔溢利約為119,000,000港元，至於去年則約為113,000,000港元。每股基本及攤薄盈利分別為20.2港仙及20.0港仙。

CONTINUOUS GROWTH, COUPLED WITH
PRUDENT RISK MANAGEMENT, IS THE BEST
PRESCRIPTION FOR DYNAMIC MARKETS.

不斷拓闊業務，提升高度和深度，再配合審慎的
風險管理，方能令企業在千變萬化的市場中維持
優勢。



Mr Mok Yat Fan, Edmond
Executive Director & Chief Executive Officer

莫一帆先生
執行董事兼行政總裁

With a proposed final dividend per share of 5.5 HK cents and an interim dividend per share of 3.5 HK cents paid during the year, the dividend payout ratio is approximately 45%.

Total assets were approximately HK\$2,633 million, compared to approximately HK\$2,561 million at the end of last year. Current assets were approximately HK\$2,431 million, representing approximately 1.2 times the current liabilities. Net cash was approximately HK\$266 million and the equity attributable to equity holders of the Company stood at approximately HK\$524 million.

Net cash inflow from operating activities was about HK\$55 million and net cash inflow in respect of investing and financing activities was approximately HK\$45 million, resulting in a net increase in cash and cash equivalents of about HK\$100 million for the year.

Review of operations

During the year under review, Paul Y. Engineering, with over 60 years of experience, has taken firm steps to position itself as a full-scope service provider for the entire life-cycle of properties. In redefining our business approach, we have strengthened our Management Contracting and Property Development Management arms, and set up Property Investment arm. This has put us in an excellent position to capture opportunities along the entire value chain of construction and engineering services, as well as throughout the various stages of property development and community advancement.

Our work book is now more balanced with the fine-tuning of our business divisions. For the Management Contracting division, the value of contracts on hand as at 31 March 2008 is approximately HK\$8,934 million and the value of work remaining is approximately HK\$3,795 million.

The value of contracts on hand for the Property Development Management division as at year end was approximately HK\$573 million, which is encouraging and a reflection of the synergized effort of our former Project Management and Facilities Management teams.

連同擬派發末期股息每股5.5港仙及年內已付中期股息每股3.5港仙，派息比率約為45%。

總資產約為2,633,000,000港元，上年度結束時則約為2,561,000,000港元。流動資產約為2,431,000,000港元，相當於流動負債之1.2倍。現金淨額約為266,000,000港元，而本公司權益持有人應佔權益則約為524,000,000港元。

來自經營業務之現金流入淨額約為55,000,000港元，而來自投資業務及融資活動之現金流入淨額約為45,000,000港元，導致本年度之現金及與現金等值項目錄得約100,000,000港元之上升。

業務回顧

於回顧年度內，有六十多年經驗的保華建業已踏出了堅定的步伐，蛻變成為物業全才，全面參與物業整個發展過程。集團的三大業務，即承建管理與物業發展管理及新建立之物業投資，均受惠於業務理順而得以加強。集團將著眼於建築及工程服務的全盤價值鏈，抓緊物業發展與社區建設不同階段之種種機遇。

隨著業務調整，現時集團手頭上的合約組合更見平衡。於二零零八年三月三十一日，承建管理方面的合約總值約8,934,000,000港元，而餘下工程合約價值則約為3,795,000,000港元。

於本年度年末，物業發展管理方面的合約總值約為573,000,000港元，成績令人鼓舞，亦反映前項目管理及設施管理團隊之間的協同。

**WE POSSESS A WEALTH OF
EXPERIENCE IN
LARGE-SCALE
INFRASTRUCTURE PROJECTS.**
我們在進行大型基建方面擁有
豐富經驗。



With our solid experience in engineering and our thorough understanding of the market, we report an encouraging results for the year. Management Contracting remained the major contributor during the year, with a turnover of HK\$4,853 million, up by 12% compared with HK\$4,327 million in 2007; its operating profit amounted to HK\$111 million (2007: HK\$59 million). During the year under review, this division secured new construction contracts with an aggregate value of approximately HK\$1,565 million. Subsequent to the year end, this division has secured further contracts of approximately HK\$2,313 million.

The contribution of profit from the Property Development Management division during the year totalled HK\$18 million, while profit contributed from associates engaged in property investment during the year amounted to HK\$22 million.

Liquidity and capital resources

The Group adheres to prudent funding and treasury policies in its operations, maintaining a variety of credit facilities to meet requirements for working capital. At the end of this fiscal year, the Group had total borrowings of approximately HK\$204 million, approximately HK\$198 million of which are repayable within one year. Cash, bank balances and deposits at year end totalled approximately HK\$470 million.

As at 31 March 2008, all of the Group's borrowings bear interest at floating rates and are denominated either in Hong Kong Dollars or Renminbi. The Group's gearing ratio, based on total borrowings of approximately HK\$204 million and equity attributable to equity holders of around HK\$524 million, stands at about 0.4.

集團多年累積豐富的工程經驗，對市場了解透徹，令集團在年內成果豐碩。於本年度，承建管理仍是本集團的主要收入來源，營業額高達4,853,000,000港元，較二零零七年之4,327,000,000港元增加12%。經營溢利達111,000,000港元（二零零七年：59,000,000港元）。於回顧年度內，此部門取得之新建築工程合約總值約1,565,000,000港元。年末後，此部門再取得總值2,313,000,000港元之合約。

於本年度，物業發展管理部門之盈利貢獻合共18,000,000港元，攤佔從事物業投資之聯營公司之利潤為22,000,000港元。

流動資金及資本來源

本集團就其整體業務營運採納審慎之資金及財務政策，備有多項信貸安排以提供其所需之營運資金。於本財政年度結束時，本集團借款共約204,000,000港元，其中約198,000,000港元須於一年內償還。於年末之現金、銀行結餘及存款共約達470,000,000港元。

於二零零八年三月三十一日，本集團全部借款均按浮動息率計息，並以港元或人民幣為單位。本集團之負債資本比率為0.4，該項比率乃根據本集團之總借款約204,000,000港元及本集團權益持有人應佔權益約524,000,000港元計算。

Employees

As at 31 March 2008, the Group had 1,449 full-time employees, including the Directors of the Group. Employee remuneration is based on overall market rates and employee performance, as well as the performance of the Group. Remuneration packages are comprised of salary, a performance-based bonus, and other benefits including provident funds and medical coverage. Three share incentive schemes (namely share option scheme, share award scheme and share financing plan) are in place to motivate and reward eligible employees.

Pledge of assets

As at 31 March 2008, the Group pledged bank deposits of approximately HK\$34 million, property, plant and equipment of approximately HK\$9 million, and charged the Group's benefits over certain construction contracts to secure the general banking facilities granted to the Group.

Contingent liabilities

As at the year end, the Group had contingent liabilities in respect of guarantee of approximately HK\$10 million given to a bank for banking facilities granted to an associate.

Disposal of 25% interest in Paul Y. Centre

During the year ended 31 March 2008, an associate of the Group disposed of its interest in Paul Y. Centre at a consideration of HK\$1,150 million.

Securities in issue

As at year end, there were 597,298,066 shares in issue, and outstanding share options over a total of 25,914,000 shares with subscription prices of HK\$0.70 (for options over 500,000 shares), HK\$0.85 (for options over 500,000 shares), HK\$0.90 (for options over 2,800,000 shares), HK\$1.00 (for options over 4,214,000 shares), HK\$1.34 (for options over 14,300,000 shares), HK\$1.36 (for options over 2,000,000 shares) and HK\$1.40 (for options over 1,600,000 shares) per share.

During the year under review, an aggregate of 7,698,957 shares were issued, which included 4,412,957 shares by way of scrip dividend and 3,286,000 shares by way of share options exercise. Share options over 19,600,000 shares were granted, share options over 7,000,000 shares were lapsed and share options over 3,286,000 shares were exercised during the year.

僱員

於二零零八年三月三十一日，本集團共聘用1,449名全職僱員，包括本集團董事。本集團根據整體市場水平、個別僱員之表現，以及本集團之表現，訂定僱員薪酬。酬金包括薪金、按表現發放之花紅，以及公積金及醫療福利等其他福利。本集團實施三項股份獎勵計劃（分別為購股權計劃、股份獎勵計劃及股份融資計劃），為合資格僱員提供鼓勵及獎賞。

資產抵押

於二零零八年三月三十一日，本集團合共將約34,000,000港元之銀行存款，約9,000,000港元之物業、機械及設備，及本集團於若干建築合約之利益抵押予銀行，作為授予本集團之一般信貸融資之擔保。

或然負債

本年度結束時，本集團就授予聯營公司之銀行信貸向銀行提供之擔保所涉及款額約10,000,000港元。

出售保華企業中心25%權益

截至二零零八年三月三十一日止年度內，本集團一聯營公司以1,150,000,000港元之代價出售保華企業中心。

已發行證券

於年末，已發行股份共597,298,066股及可認購共25,914,000股股份之未行使購股權，行使價為每股0.70港元（就可認購500,000股股份之購股權而言）、0.85港元（就可認購500,000股股份之購股權而言）、0.90港元（就可認購2,800,000股股份之購股權而言）、1.00港元（就可認購4,214,000股股份之購股權而言）、1.34港元（就可認購14,300,000股股份之購股權而言）、1.36港元（就可認購2,000,000股股份之購股權而言）及1.40港元（就可認購1,600,000股股份之購股權而言）。

於回顧年度內，已發行合共7,698,957股股份，包括4,412,957股以股代息方式發行之股份及3,286,000股因行使購股權而發行之股份。年內已授出可認購共19,600,000股股份之購股權，有可認購7,000,000股股份之購股權期滿失效，亦有可認購3,286,000股股份之購股權已獲行使。

LIFE WILL ALWAYS BE A SERIES OF CHALLENGES,
AND THE SATISFACTION COMES WITH
OVERCOMING THEM. WE ARE COMMITTED
TO DRIVE FOR CONTINUOUS SUCCESSES AND
OVERCOME CHALLENGES AHEAD AND TURN THEM
INTO PROFITABLE VALUE DRIVERS FOR THE GROUP
AND ITS SHAREHOLDERS.

挑戰可謂無日無之；而成功克服挑戰，回報必會隨之而來。
保華建業今後亦將繼續竭盡所能，克服挑戰，化危為機，
為集團及股東爭取回報。

Final dividend

The board of directors of the Company (the “Board”) has resolved to recommend the payment of a final dividend of 5.5 HK cents per share (2007: 5.5 HK cents per share) for the year ended 31 March 2008 to shareholders whose names appear on the register of members of the Company at the close of business on 19 September 2008. The final dividend is expected to be paid to shareholders via post on or around 17 October 2008.

The Board has also proposed that the final dividend should be satisfied by way of a scrip dividend of shares, with an option to elect cash for part or all of such dividend. The market value of the shares to be issued under the scrip dividend proposal will be fixed by reference to the average of the closing prices of the Company's shares for the three consecutive trading days ending on 19 September 2008, less a discount of 5% of such average price or the par value of shares, whichever is higher. The proposed scrip dividend is conditional upon The Stock Exchange of Hong Kong Limited granting listing of, and permission to deal in, the new shares to be issued and the passing at the forthcoming annual general meeting of the Company of an ordinary resolution to approve the final dividend. A circular detailing the scrip dividend proposal and a form of election will be sent to shareholders.

末期股息

本公司董事局（「董事局」）已議決向二零零八年九月十九日辦公時間結束時名列本公司股東名冊之股東派付截至二零零八年三月三十一日止年度末期股息每股5.5港仙（二零零七年：每股5.5港仙）。預期末期股息將約於二零零八年十月十七日以郵寄方式派付予股東。

此外，董事局並建議透過以股代息方式派付末期股息，惟股東可選擇收取現金以代替部份或全部有關股息。根據以股代息建議將予發行之股份之市值，將參考本公司股份於截至二零零八年九月十九日止連續三個交易日之平均收市價減該平均價5%之折讓或股份面值（以較高者為準）計算。以股代息建議須待香港聯合交易所有限公司批准將予發行之新股份上市及買賣並在本公司應屆股東週年大會上通過有關批准末期股息之普通決議案後方可作實。載有以股代息建議全部詳情之通函，將連同選擇表格一併寄予各股東。

Close of register of members

The register of members of the Company will be closed for the purpose of determining the entitlements to the proposed final dividend from 17 September 2008 to 19 September 2008, both dates inclusive, during which period no share transfer shall be effected. In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar in Hong Kong, Tricor Standard Limited (26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong) no later than 4:00 p.m. on 16 September 2008.

Purchase, sale or redemption of the Company's listed securities

During the year ended 31 March 2008, there were no purchases, sales or redemptions by the Company, or any of its subsidiaries, of the Company's listed securities.

Outlook

The backdrop is now set for the Hong Kong construction industry for the medium term. In October 2007, the HKSAR government announced the Ten Major Infrastructure Projects, with an estimated total budget of HK\$250 billion over the next five years. In the private sector, the surged property sales in Q2 and Q3 2007 rendered developers to replenish inventory. In our motherland, the direction of long-term economic development is being fine-tuned by the recent macroeconomic control measures, which will benefit Hong Kong over time. Numerous opportunities are therefore available for leading players such as Paul Y. Engineering, possessing a wealth of experience and expertise in large-scale infrastructure and construction projects.

On the other hand, challenges to contractors in the past year are anticipated to remain in the foreseeable future: surging labour and material costs pushed up by accelerating inflation, volatility of financial markets and tightened liquidity of capital, lingering price competition that will remain severe, and complicated commercial risks.

暫停辦理股東登記手續

本公司將於二零零八年九月十七日至二零零八年九月十九日止（首尾兩日包括在內）之期間暫停辦理股東登記手續，以釐定擬派末期股息之配額，故於該段期間將不會登記任何股份之轉讓。如欲獲發擬派之末期股息，所有股份過戶文件連同有關股票，最遲須於二零零八年九月十六日下午四時正前交回本公司之香港股份過戶登記處卓佳標準有限公司以供登記，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

購買、出售或贖回本公司上市證券

於截至二零零八年三月三十一日止年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市證券。

展望

香港建築業的中期展望持續向好。二零零七年十月，香港特區政府推出十大基建項目，在未來五年的總預算估計達2,500億港元。在私營市場方面，物業市場在二零零七年第二及第三季度表現蓬勃，令發展商為增加存貨而加速發展步伐。在中國大陸，近期的宏觀調控令經濟發展更為健康，長遠將惠及香港。對於保華建業等在大中型基建及建築項目上具備豐富經驗與專業技能的承建商而言，建築業的前景仍然良好。

另一方面，業界在過去一年所面對的挑戰，包括通脹加劇引致勞工與建築材料成本大增、金融市場波動、資本流動性收緊、持續的價格競爭愈益劇烈，以及商業風險日漸複雜等等，在可見的未來依然存在。



**NANTONG INTERNATIONAL TRADE CENTER,
A GRADE-A OFFICE COMPLEX IN NANTONG CITY.**
南通國際貿易中心將成為南通市甲級商業大廈。

Continuous growth, coupled with prudent risk management, is the best prescription for dynamic markets. While we maintain a critical mass in our core markets, we are actively pursuing opportunities in all dimensions, both in terms of geographical expansion and scope of services. With its healthy cash flow, solid foundation of over 60 years of building Hong Kong and other cities, Paul Y. Engineering is fully equipped to ride with the tide and continue to strive within such environment.

Life will always be a series of challenges, and the satisfaction comes with overcoming them. It is this conviction that has brought us to where we are today. We are committed to drive for continuous successes and overcome challenges ahead and turn them into profitable value drivers for the Group as well as its shareholders.

Mok Yat Fan, Edmond

Executive Director & Chief Executive Officer

Hong Kong, 18 July 2008

不斷開拓業務，提升其高度和深度，再配合審慎的風險管理，方能令企業在千變萬化的市場中維持優勢。集團保持其核心市場業務之餘，更將藉著拓展不同市場及服務範疇，積極謀求新的商機。保華建業擁有穩健的現金流，再加上六十多年來在香港及其他城市累積的建設經驗，足以讓集團順勢發展，爭取優厚的回報。

挑戰可謂無日無之；而成功克服挑戰，回報必會隨之而來。正是此一信念，令我們在經濟的榮衰迴圈中鞏固基業，而今後亦將繼續藉此推動我們竭盡所能，克服挑戰，化危為機，為集團及股東爭取回報。

莫一帆

執行董事兼行政總裁

香港，二零零八年七月十八日

Biography of Directors 董事履歷簡介



Ir James Chiu 趙雅各工程師



Mr Lau Ko Yuen, Tom 劉高原先生



Mr Mok Yat Fan, Edmond 莫一帆先生

James Chiu, *OBE, JP*, aged 69, has been the Chairman (Independent Non-Executive Director) of the Company since March 2006. He is also the Chairman of the Audit Committee and Remuneration Committee of the Company. Ir Chiu has served Hong Kong's construction industry for 44 years. He was the Managing Director of the General Electric Company of Hong Kong Limited from 1984 to 1998.

He has held a number of important industry roles. He was a President of the Hong Kong Institution of Engineers and a Chairman of the British Chamber of Commerce in Hong Kong. Currently, he is the President of Hong Kong Electrical & Mechanical Contractors' Association; and a member of Construction Industry Council.

Ir Chiu is a Fellow of the Institution of Electrical Engineers (UK), the Hong Kong Institution of Engineers, Institution of Engineers Australia and Hong Kong Academy of Engineering Sciences.

趙雅各，*OBE, JP*，69歲，由二零零六年三月起出任本公司之主席（獨立非執行董事），彼亦為本公司之審核委員會及薪酬委員會主席。趙先生服務香港建築界逾四十四年。彼於一九八四年至一九九八年於香港之英國通用電器GEC擔任董事總經理一職。

他曾擔任業內多項重要職務，當中包括香港工程師學會會長及香港英商會主席。趙先生現時為香港機電工程商協會會長及建造業議會成員。

趙工程師為電機工程師學會（英國）、香港工程師學會、澳洲電機工程師學會及香港工程科學院資深會員。

Lau Ko Yuen, Tom, aged 57, has been the Deputy Chairman (Non-Executive Director) of the Company since January 2005. He is also a member of the Nomination Committee and Disclosures Committee of the Company. Mr Lau has over 35 years of international experience in corporate development and management in infrastructure developments as well as construction and engineering services involving the road, rail, port, power, telecommunications, mining and resources sectors in the Asia Pacific Region. Mr Lau is the Deputy Chairman and Managing Director of PYI Corporation Limited (“PYI”) (00498.HK), a significant developer, owner and operator of major bulk cargo ports in the Yangtze River Region in China. He is also an Independent Non-Executive Director of China National Building Material Company Limited (03323.HK). He is also a Director of PYI Treasury Group Limited, Growing Success Limited and Paul Y. Investments Limited, all of which as well as PYI have interests in the shares and underlying shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance.

Mok Yat Fan, Edmond, aged 58, has been an Executive Director & Chief Executive Officer of the Company since June 2006. He is responsible for the overall performance of the Company and its subsidiaries (the “Group”). He is also the Chairman of the Executive Committee of the Company, a member of the Remuneration Committee and Finance and Investment Committee of the Company, and a Director of certain subsidiaries of the Company. Mr Mok has been engaged for over 32 years in project management, property development and architectural practice in Hong Kong and Canada. He graduated from The University of Hong Kong with Bachelor degrees in architectural studies and architecture and is by training an architect. He is a Fellow of the Hong Kong Institute of Architects, a Registered Architect and an Authorised Person (Architects List) under the Hong Kong Buildings Ordinance. He served as Managing Director of Paul Y. Properties Group from 1997 to 2003.

劉高原，57歲，自二零零五年一月起出任本公司之副主席（非執行董事）。彼亦為本公司之提名委員會及披露委員會之成員。劉先生擁有超過三十五年在亞太地區公路、鐵路、港口、電廠、電訊、採礦和資源產業的基礎建設、建築工程服務方面的企業發展和管理的國際經驗。劉先生是中國長江流域大宗散貨港口發展商和營運商保華集團有限公司（「PYI」）（00498.HK）之副主席兼總裁。此外，彼還擔任中國建材股份有限公司（03323.HK）獨立非執行董事。彼亦為PYI Treasury Group Limited, Growing Success Limited及Paul Y. Investments Limited之董事，上述各公司連同PYI均於本公司之股份及相關股份擁有權益，並根據證券及期貨條例第十五部第2及3部份之規定須向本公司披露。

莫一帆，58歲，由二零零六年六月起出任本公司之執行董事兼行政總裁，彼負責本公司及其附屬公司（「本集團」）整體表現，彼亦為本公司之執行委員會主席、本公司之薪酬委員會及財務及投資委員會成員，及若干附屬公司之董事。莫先生在香港及加拿大從事項目管理、物業發展及建築實務逾三十二年。彼畢業於香港大學，持有建築研究及建築學學士學位。彼為香港建築師學會資深會員、註冊建築師及香港屋宇條例（建築師名單）內之認可人士。彼於一九九七年至二零零三年間為保華地產集團之董事總經理。



Mr Cheung Lee Ming, Andy 張利民先生



Professor Lee Chack Fan 李焯芬教授



Mr Iain Ferguson Bruce

Cheung Lee Ming, Andy, aged 42, joined the Group in March 2008. Mr Cheung is the Executive Director & Chief Financial Officer of the Company. He is also a member of the Finance and Investment Committee, Disclosures Committee and Executive Committee of the Company, and a director of certain subsidiaries of the Company. Mr Cheung has over 15 years' experience in the areas of business development, finance and audit. Mr Cheung holds a Bachelor degree in Business Administration from Boston University and a Master of Business Administration degree from McMaster University. He is a Certified Public Accountant of the State of Illinois in the United States.

Lee Chack Fan, SBS, JP, aged 63, has been an Independent Non-Executive Director of the Company since January 2005. He is also the Chairman of the Nomination Committee of the Company, and a member of the Audit Committee and Remuneration Committee of the Company. Professor Lee is the Chair Professor of Geotechnical Engineering and Director of the School of Professional and Continuing Education, the University of Hong Kong. He is also an Academician of Chinese Academy of Engineering. Professor Lee graduated from The University of Hong Kong in 1968 and subsequently received his Master's degree from The University of Hong Kong in 1970 and a Ph.D. from the University of Western Ontario, Canada in 1972. Professor Lee is an internationally renowned expert in geotechnical engineering. He worked for Ontario Hydro in Canada for some 20 years before he joined his alma mater in 1994. He has participated in the design of many massive dams and nuclear power stations. He

張利民，42歲，於二零零八年三月加入本集團，張先生為本公司之執行董事兼財務總裁，彼亦為本公司之財務及投資委員會、披露委員會及執行委員會成員、及本公司若干附屬公司之董事。張先生於業務拓展、財務及審計方面積逾十五年經驗。張先生持有波士頓大學頒授的工商管理學士學位及麥馬斯特大學頒授的工商管理碩士學位。彼為美國伊利諾斯州執業會計師。

李焯芬，SBS，JP，63歲，自二零零五年一月起出任本公司之獨立非執行董事。彼亦為本公司之提名委員會之主席及本公司之審核委員會及薪酬委員會之成員。李教授為香港大學岩土工程講座教授及香港大學專業進修學院院長。彼亦為中國工程院院士。李教授於一九六八年畢業於香港大學，而其後於一九七零年取得香港大學之碩士學位，及於一九七二年於加拿大西安大略大學取得博士學位。李教授為蜚聲國際的岩土工程專家。彼於一九九四年加盟其母校以前，曾於加拿大安大略省電力公司工作逾二十年。彼曾參與多項大壩及核電廠的設計工作。同時彼曾就世界各地多個能源及基建項目，擔任多個國際組織的顧問專家，包括聯合國發展計劃、世界銀行、亞洲發展銀行等。李教授於土木工程方面取得的傑出成就廣獲確認，並於二零零零年獲得Engineering Institute of Canada 的KY Lo Medal，同時亦於二零零三年獲選為中國工程院院士，以表揚其於土木工程方面的貢獻。彼於二零零三年七月獲香港特別行政區政府

has served as a specialist consultant or an advisor to many international bodies such as the United Nations Development Plan, World Bank, Asian Development Bank, etc. on numerous energy and infrastructure projects in many parts of the world. Professor Lee's eminent achievement in civil engineering has been highly recognized; he was awarded the K Y Lo Medal in 2000 by the Engineering Institute of Canada and was elected the Academician of the Chinese Academy of Engineering in 2003 in recognition of his contributions to the engineering profession. He has been appointed as Justice of the Peace by the Hong Kong Special Administrative Region Government in July 2003, and he has been awarded the Silver Bauhinia Star in July 2005.

Professor Lee is currently the Chairman of Harbour-front Enhancement Committee, the Chairman of Veterinary Surgeons Board, the Chairman of Hong Kong Institute for Promotion of Chinese Culture, the Chairman of the Council of the Lord Wilson Heritage Trust and the President of the Fu Hui Charity Foundation.

Iain Ferguson Bruce, aged 67, has been an Independent Non-Executive Director of the Company since January 2005. He is also the Chairman of the Finance and Investment Committee and Disclosures Committee of the Company, and a member of the Audit Committee and Nomination Committee of the Company. Mr Bruce joined KPMG in Hong Kong in 1964 and was elected to its partnership in 1971. He was the Senior Partner of KPMG from 1991 until his retirement in 1996 and served as Chairman of KPMG Asia Pacific from 1993 to 1997. Since 1964, Mr Bruce has been a member of the Institute of Chartered Accountants of Scotland, and is a fellow of the Hong Kong Institute of Certified Public Accountants with over 43 years of international experience in accounting and consulting. He is also a fellow of The Hong Kong Institute of Directors and a member of The Hong Kong Securities Institute. He is the chairman of KCS Limited, a director of Citibank (Hong Kong) Limited and is a member of the Board of Stewards of the Hong Kong Jockey Club. Mr Bruce serves as an Independent Non-Executive Director on the boards of several publicly listed companies in Hong Kong, Vitasoy International Holdings Ltd. (00345.HK), Wing On Company International Limited (00289.HK) and Tencent Holdings Limited (00700.HK). He is also an Independent Non-Executive Director of Noble Group Limited, a company whose shares are listed on the Singapore Exchange Securities Trading Limited, China Medical Technologies Inc., a company whose shares are traded on Nasdaq and Yingli Green Energy Holding Company Limited, a company whose shares are traded on the New York Stock Exchange.

授勳為太平紳士，並於二零零五年七月獲得香港特別行政區政府頒授銀紫荊勳章。

李教授目前為共建維港委員會主席、獸醫管理局主席、香港中國文化促進中心理事會主席、衛奕信勳爵文物信託理事會主席及福慧慈善基金會會長。

Iain Ferguson Bruce，67歲，自二零零五年一月起出任本公司之獨立非執行董事，彼亦為本公司之財務及投資委員會及披露委員會之主席，以及本公司之審核委員會及提名委員會之成員。彼於一九六四年加盟香港畢馬威會計師事務所及於一九七一年成為其合夥人，並由一九九一年至其於一九九六年退休期間擔任其資深合夥人及於一九九三年至一九九七年間出任畢馬威亞太區之主席。由一九六四年起，彼為蘇格蘭特許會計師公會及香港會計師公會資深會員。彼為KCS Limited 主席，花旗銀行(香港)有限公司董事及香港賽馬會董事。彼擁有逾四十三年國際會計及諮詢服務經驗。彼為香港多家公眾上市公司董事局之獨立非執行董事，包括維他奶國際集團有限公司(00345.HK)、永安國際有限公司(00289.HK)及騰訊控股有限公司(00700.HK)。彼亦為Noble Group Limited(該公司之股份於Singapore Exchange Securities Trading Limited 上市)、China Medical Technologies, Inc. (該公司之股份於納斯達克股市進行交易)及Yingli Green Energy Holding Company Limited(該公司之股份於紐約證券交易所進行交易)之獨立非執行董事。

Biography of Senior Management 高級管理層履歷簡介



Mr Law Hon Wa, William 羅漢華先生



Ms Mui Ching Hung, Joanna 梅靜紅小姐

Law Hon Wa, William, aged 43, has been the Qualified Accountant of the Company since May 2008. He is responsible for all financial management and accounting matters of the Group. Mr Law has over 19 years' experience in auditing, accounting and financial management. He holds a Bachelor degree in business administration and a Master degree in applied finance. He is a member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants and also a certified public accountant in Hong Kong.

Mui Ching Hung, Joanna, aged 39, has been the Company Secretary of the Company since January 2005. She is responsible for all company secretarial matters of the Group. Ms Mui has over 16 years' experience in company secretarial field. She holds a Master degree in language and law, and is an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators.

羅漢華，43歲，自二零零八年五月起出任本公司合資格會計師，彼負責本集團之財務及會計事務。羅先生於核數、會計及財務管理方面積逾十九年經驗。彼持有工商管理學士學位及應用財務學碩士學位，彼為香港會計師公會會員、特許公認會計師公會資深會員及本港執業會計師。

梅靜紅，39歲，自二零零五年一月起出任本公司之公司秘書，彼負責集團之公司秘書事務。梅小姐於公司秘書事務方面積逾十六年經驗，持有語言及法律文學碩士學位，同時亦為香港特許秘書公會及英國特許秘書及行政人員公會之會員。

Paul Y. Engineering Group Limited (the “Company”, together with its subsidiaries, the “Group”) is committed to maintaining high standards of corporate governance because we believe that is the best way to enhance shareholder value. The Company places strong emphasis on an effective board (the “Board”) of directors (the “Directors”) of the Company, segregation of duties with clear accountability, sound internal control, appropriate risk-assessment procedures, and transparency to all shareholders.

The Company has complied with all code provisions and, where applicable, the recommended best practices of the Code on Corporate Governance Practices as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) (the “Listing Rules”) throughout the year ended 31 March 2008.

BOARD OF DIRECTORS

Role

The Board is responsible for overseeing the Company’s strategic direction and the controls applied to its activities, and ensuring that Management has appropriate processes in place for risk-assessment, management, and internal control over the Company’s day-to-day affairs.

The Board has in place a list of decisions that are to be retained for the Board decision. These matters include:

1. Corporate strategy;
2. Financial reporting and control;
3. Major financial arrangements;
4. Risk management;
5. Succession planning;
6. Notifiable transactions under Chapters 14 and 14A of the Listing Rules; and
7. Recommendations to shareholders regarding appointment of external auditors, dividend payments, capital reorganization and scheme of arrangement.

The Board has delegated all day-to-day operations and management of the Company’s business to Management under the leadership of the Chief Executive Officer of the Company.

保華建業集團有限公司(「本公司」，連同其附屬公司合稱為「本集團」)致力維持高水平之企業管治，蓋因本集團相信此乃提升股東價值之最佳途徑。本公司之企業管治原則強調有效之本公司董事(「董事」)局(「董事局」)、分明之職責、穩定之內部監控、恰當之風險評估程序及對全體股東之透明度。

截至二零零八年三月三十一日止年度，本公司已遵守香港聯合交易所有限公司(「香港聯交所」)證券上市規則(「上市規則」)附錄十四所載企業管治常規守則之所有守則條文及(如適用)建議最佳常規。

董事局

角色

董事局負責監查本公司之策略方向及對業務活動之控制，確保管理層已為風險作評估、本公司日常事務之管理及內部監控採取適當程序。

董事局已完整地將本公司一系列決策納入其管治範圍，其中包括：

1. 公司策略；
2. 財務匯報及控制；
3. 重大財務安排；
4. 風險管理；
5. 繼承方案；
6. 上市規則第14及14A章節所規定的須予公佈的交易；及
7. 就外聘核數師任命、派息、資本重組及債務償還安排向股東提供意見。

董事局已將本公司業務之一切日常營運及管理工作轉授予以本公司行政總裁為首的管理層負責。

Composition

The Board has a balanced composition of Executive and Non-Executive Directors to ensure independent viewpoints in all discussions. As at the date of this report, the Board comprises six Directors, including three Independent Non-Executive Directors, one Non-Executive Director, and two Executive Directors. Board members are listed below:

組成

董事局中執行董事及非執行董事之組合保持均衡，確保所有討論具備獨立觀點。於本報告日期，董事局由六位董事組成（包括三位獨立非執行董事、一位非執行董事及兩位執行董事）。董事局成員列述如下：

Board of Directors 董事局		
Independent Non-Executive Directors 獨立非執行董事	Non-Executive Director 非執行董事	Executive Directors 執行董事
<ul style="list-style-type: none"> James Chiu (Chairman) 趙雅各(主席) Lee Chack Fan 李焯芬 Iain Ferguson Bruce 	<ul style="list-style-type: none"> Lau Ko Yuen, Tom (Deputy Chairman) 劉高原(副主席) 	<ul style="list-style-type: none"> Mok Yat Fan, Edmond (Chief Executive Officer) 莫一帆(行政總裁) Cheung Lee Ming, Andy (Chief Financial Officer) 張利民(財務總裁)

Biographical information of the Directors is set out on pages 26 to 29 of this annual report.

董事履歷簡介列於本年報第26頁至第29頁。

Throughout the year ended 31 March 2008, half of the Board was made up of Independent Non-Executive Directors, one of whom had appropriate professional qualifications, or accounting or related financial management expertise, as required by the Listing Rules. There is no relationship (including financial, business, family or other material/relevant relationship) among members of the Board.

於截至二零零八年三月三十一日止整個年度內，董事局中有一半為獨立非執行董事，而其中一位擁有上市規則所規定之合適專業資歷或會計或相關財務管理專長。董事局各成員之間並無諸如財務、商業、家族或其他相關性質利益關係。

Independence of Independent Non-Executive Directors

Each of the Independent Non-Executive Directors has given an annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all Independent Non-Executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

獨立非執行董事之獨立性

各獨立非執行董事已根據上市規則第3.13條向本公司發出週年確認書。本公司認為全體獨立非執行董事符合上市規則第3.13條所載之獨立身份指引，且根據指引條款具備獨立身份。

The Nomination Committee of the Company is responsible for assessing the independence of the Independent Non-Executive Directors.

本公司提名委員會負責評估獨立非執行董事之獨立性。

Chairman and Chief Executive Officer

To ensure a balance of power and authority, the positions of Chairman and Chief Executive Officer of the Company are held by separate individuals, with segregated duties. The division of responsibilities between the Chairman and Chief Executive Officer is clearly established and set out in writing.

The Chairman of the Company is Ir James Chiu (an Independent Non-Executive Director and the Chairman of the Audit Committee of the Company). The Chief Executive Officer is Mr Mok Yat Fan, Edmond.

The role of the Chairman of the Company is to oversee the Company's strategic direction and the controls applied to its activities. The Chairman provides leadership for the Board and ensures that the Company establishes sound corporate governance practices and procedures. He also encourages all Directors to make a full and active contribution to the affairs of the Board.

The Chief Executive Officer is responsible for the overall performance of the Company and plays a leading role in delivering a growth strategy. He provides leadership for Management, oversees the day-to-day operations of the Group, and monitors the achievement of Company objectives set by the Board.

Non-Executive Directors

The Non-Executive Directors were appointed for a term of approximately three years expiring at the conclusion of the third annual general meeting from the date of their appointment/re-election, subject to the Company's Bye-laws. Pursuant to the Company's Bye-laws, all Directors are subject to retirement from office by rotation at least once every three years and are eligible for re-election by shareholders.

主席與行政總裁

主席與行政總裁之職位由不同人士擔任，各司其職，以確保權力及授權之均衡。主席與行政總裁分工清晰並以書面列明。

本公司之主席為趙雅各工程師（獨立非執行董事及本公司審核委員會主席）。行政總裁為莫一帆先生。

本公司主席之角色為監管本公司之業務所運用之策略方向及控制。主席領導董事局並確保本公司制定穩健之企業管治常規及程序，並鼓勵全體董事全力投入董事局事務。

行政總裁負責本公司之整體表現，並在執行增長策略時擔當領導角色。彼領導管理層，監督本集團日常運作並督導由董事局制訂之公司發展目標之實際執行情況。

非執行董事

非執行董事之任期約為三年，直至其獲委任／膺選連任當日起第三個股東週年大會完結時止，並須符合本公司之公司細則。根據本公司之公司細則，所有董事均須至少每三年一次輪流退任，並可由股東膺選連任。

Meetings

Details of Directors' attendance at Board meetings and Board committee meetings during the year ended 31 March 2008 are set out in the following table:

會議

有關董事於截至二零零八年三月三十一日止年度內出席董事局會議及董事委員會會議之詳情表列如下：

Meetings attended/held during the year ended 31 March 2008 截至二零零八年三月三十一日止年度內出席／舉行之會議						
	Board 董事局	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Finance and Investment Committee 財務及 投資委員會	Disclosures Committee 披露委員會
Number of meetings held during the year 年內舉行會議之次數	5	3	2	1	2	2
Independent Non-Executive Directors 獨立非執行董事						
James Chiu (Chairman) 趙雅各(主席)	5/5	3/3	2/2			
Lee Chack Fan 李焯芬	3/5	3/3	2/2	1/1		
Iain Ferguson Bruce	5/5	3/3		1/1	2/2	2/2
Non-Executive Director 非執行董事						
Lau Ko Yuen, Tom (Deputy Chairman) 劉高原(副主席)	5/5			0/1		1/2
Executive Directors 執行董事						
Mok Yat Fan, Edmond (Chief Executive Officer) 莫一帆(行政總裁)	5/5		2/2		2/2	
Lee Hon Chiu (Note 1) 李漢潮(附註1)	5/5				2/2	2/2
Cheung Lee Ming, Andy (Chief Financial Officer) (Note 2) 張利民(財務總裁)(附註2)	0/0				0/0	0/0
Average attendance rate 平均出席率	93.3%	100%	100%	66.7%	100%	83.3%

Notes:

- Mr Lee Hon Chiu resigned as a Director with effect from 1 May 2008. He also ceased to be a member of the Finance and Investment Committee and Disclosures Committee with effect from 1 May 2008.
- Mr Cheung Lee Ming, Andy was appointed as a Director with effect from 18 July 2008. He was also appointed as a member of the Finance and Investment Committee and Disclosures Committee with effect from 1 May 2008.

附註：

- 李漢潮先生自二零零八年五月一日起辭任董事。彼亦自二零零八年五月一日起不再擔任財務及投資委員會成員以及披露委員會成員。
- 張利民先生自二零零八年七月十八日起獲委任為董事。彼亦自二零零八年五月一日起獲委任為財務及投資委員會成員以及披露委員會成員。

The Board meets regularly and at least four times a year. Regular Board meetings are usually scheduled at the beginning of the year to give all Directors adequate time to plan their schedules to attend. Directors receive at least 14 days' prior written notice of regular Board meetings and an agenda. The Board papers, including supporting analyses and relevant background information, are normally sent to all Directors at least 3 days before the Board meeting. For other Board meetings, Directors are given as much notice as possible in the circumstances.

In order to have an effective Board, Directors are provided with information on activities and developments in the Group's business on a regular and timely basis to keep them apprised of the latest developments of the Group. In addition, the Directors have full access to information on the Group and are able to seek independent professional advice whenever they deem it necessary.

To avoid conflicts of interest, Directors who have declared their material interests in the proposed transactions or issues to be discussed are not counted in the quorum of meetings and abstain from voting on the relevant resolutions.

Minutes of Board meetings and Board committee meetings with sufficient details of matters discussed are kept in safe custody by the Company Secretary, and are open for inspection by Directors.

BOARD COMMITTEES

To facilitate the work of the Board, Board committees have been set up with written terms of reference which clearly define the role, authority, and functions of each committee. Each Board committee is required to report their decisions or recommendations to the Board. Details of Directors' attendance at the Board committee meetings during the year ended 31 March 2008 are shown on page 34 of this annual report.

The role and function of, and a summary of work done by, each Board committee during the year ended 31 March 2008 are set out below:

董事局定期開會，並每年最少舉行四次會議。董事局常會通常於年初編定，以便全體董事有充分時間撥冗出席。董事於董事局常會最少14天前接獲董事局常會通知及議程。董事局文件（包括支援性質之分析及相關背景資料）通常於董事局會議最少3天前送交全體董事。至於董事局其他會議，董事亦在可行情況下接獲盡量合理之通知。

為確保董事局行事有效，董事獲適時提供本集團業務之活動及發展之資料，以使董事瞭解集團之最新發展現狀。此外，董事可取閱本集團之一切資料，並在董事認為需要時徵詢獨立專業意見。

為避免利益衝突，就將討論的擬議交易或問題宣稱有重大利害關係的董事不得算入會議法定人數中，亦須迴避對相關決議案進行投票。

詳盡載明相關事項之董事局會議及董事委員會會議之記錄由公司秘書妥為保管，並供各董事查閱。

董事委員會

為使董事局工作更為順利，特成立以書面列明職權範圍之董事委員會，清晰界定各委員會角色、權限及職能。各委員會均須向董事局報告其決議或意見。有關董事於截至二零零八年三月三十一日止年度內出席董事委員會之詳情見本年報第34頁。

各董事委員會於截至二零零八年三月三十一日止年度之角色職能及其工作概要列於下表：

Audit Committee

Composition

This Committee currently comprises Ir James Chiu (Chairman of this Committee), Professor Lee Chack Fan and Mr Iain Ferguson Bruce. All the members of this Committee are Independent Non-Executive Directors.

Role and Function

The principal duties of this Committee include oversight of the Group's financial reporting system and internal control procedures, review of the Group's financial information, and review of the relationship with the external auditors of the Company. This Committee also meets regularly with the Company's external auditors to discuss the audit process and accounting issues.

Summary of Work Done

The following is a summary of the work performed by this Committee during the year ended 31 March 2008:

1. Review of the annual results of the Group for the year ended 31 March 2007;
2. Review of the interim results of the Group for the six months ended 30 September 2007;
3. Review of the Group's financial information, financial reporting system, internal control procedures, and financial and accounting policies and practices;
4. Approval of remuneration and terms of engagement of the external auditors;
5. Recommendation to the Board to re-appoint the external auditors at the 2007 annual general meeting;
6. Review of the external auditors' independence and objectivity and the effectiveness of the audit process, and review of policy on engaging the external auditors to supply non-audit services;
7. Review of the systems of financial controls, internal control and risk management, and consideration of the findings of any major investigations of internal control matters;
8. Review of the effectiveness of the internal audit function;
9. Review of the continuing connected transactions;
10. Review of the audit plan for the year ended 31 March 2008;
11. Review of the internal corporate audit annual report for the year ended 31 March 2007; and
12. Met with the external auditors, in the absence of Management.

審核委員會

組成

本委員會現時由三位獨立非執行董事趙雅各工程師(本委員會主席)、李焯芬教授及Iain Ferguson Bruce先生組成。

角色及職能

本委員會之主要職責包括督導本集團之財務申報制度及內部監控程序、檢討本集團之財務資料，並檢討與本公司外聘核數師之關係。本委員會亦與本公司之外聘核數師定期會晤，以商討審核之流程及會計事項。

工作概要

本委員會於截至二零零八年三月三十一日止年度之工作概要如下：

1. 審閱本集團截至二零零七年三月三十一日止年度之全年業績；
2. 審閱本集團截至二零零七年九月三十日止六個月之中期業績；
3. 檢討本集團之財務資料、財務申報制度、內部監控程序及財務與會計政策及實務；
4. 審批外聘核數師之酬金及聘用條款；
5. 向董事局推薦於二零零七年股東週年大會上續聘外聘核數師；
6. 檢討外聘核數師核數工作之獨立性、客觀性及有效性，並檢討聘用外聘核數師提供非核數服務之政策；
7. 檢討財務監控、內部監控及風險管理制度，並就內部監控事宜的重要調查結果進行研究；
8. 檢討內部審核職能之有效性；
9. 審閱持續關連交易；
10. 審閱截至二零零八年三月三十一日止年度之審核計劃；
11. 審閱截至二零零七年三月三十一日止年度內部企業審核年度報告；及
12. 在管理層缺席的情況下，與外聘核數師會晤。

Remuneration Committee

Composition

This Committee currently comprises Ir James Chiu (Chairman of this Committee), Mr Mok Yat Fan, Edmond and Professor Lee Chack Fan. The majority of the members of this Committee are Independent Non-Executive Directors.

Role and Function

This Committee has been established to ensure there is a formal and transparent procedure for setting policy on the remuneration of Executive Directors and for fixing the remuneration packages for all Directors. This Committee is mainly responsible for making recommendations to the Board on the Company's policy and structure for remuneration of Directors and Management, and making recommendations on the manpower deployment plan.

Summary of Work Done

The following is a summary of the work performed by this Committee during the year ended 31 March 2008:

1. Review and approval of performance-based remuneration for employees of the Group for the year ended 31 March 2008;
2. Consideration and determination of year-end bonus for the Executive Directors;
3. Review of the Company's remuneration policy;
4. Review of trends in compensation and benefits programmes; and
5. Approval in granting share options.

Remuneration Policy

The Company ensures that the remuneration offered is appropriate for the duties, in line with market practice and pay levels, and effective in attracting, retaining and motivating employees (including Executive Directors). For Non-Executive Directors, the Company ensures that they are sufficiently but not excessively compensated for their efforts and time dedicated to the Company. No individual determines his or her own remuneration.

The remuneration of Directors is determined with reference to market competitiveness, job responsibilities, and performance of the Company and the individual. Details of the emoluments of Directors are set out on page 107 of this annual report.

薪酬委員會

組成

本委員會現時由趙雅各工程師(委員會主席)、莫一帆先生及李焯芬教授組成。本委員會之大部份成員為獨立非執行董事。

角色與職能

成立本委員會旨在確保在釐定執行董事薪酬之政策及釐定全體董事之薪津組合方面，有一套正式且具透明度的程序。本委員會主責就本公司有關董事及管理層之薪酬政策及架構，向董事局提供建議，並就人力資源調配方案提供意見。

工作概要

本委員會於截至二零零八年三月三十一日止年度之工作概要如下：

1. 檢討及批准截至二零零八年三月三十一日止年度，以本集團僱員工作表現為準則之薪酬方案；
2. 考慮並決定有關執行董事的年終花紅方案；
3. 檢討本公司之薪酬政策；
4. 檢討賠償及福利方案之趨向；及
5. 批准授出購股權。

薪酬政策

本公司確保所支付之薪酬與職務相配，並與市場慣例及水平保持一致；酬金水平必須具競爭力，能有效吸引、挽留及推動僱員(包括執行董事)。就非執行董事，本公司確保因應其投入本公司之精力及時間給予充裕而不過高之酬勞。概無人士自行釐定其個人薪酬。

董事之薪酬按市場競爭力、職務，及本公司及個別人士之表現釐定。董事酬金詳情載於本年報第107頁。

Nomination Committee

Composition

This Committee currently comprises Professor Lee Chack Fan (Chairman of this Committee), Mr Lau Ko Yuen, Tom and Mr Iain Ferguson Bruce. The majority of the members of this Committee are Independent Non-Executive Directors.

Role and Function

This Committee was established to ensure there is a formal, considered and transparent procedure for the appointment of new Directors to the Board. The duties of this Committee include reviewing the structure, size and composition of the Board and, if necessary, recommending changes. It is also responsible for identifying individuals suitably qualified to become members of the Board and selecting, or making recommendations to the Board on the selection of, individuals to be nominated for directorships.

Summary of Work Done

The following is a summary of the work performed by this Committee during the year ended 31 March 2008:

1. Review of the structure, size and composition (including the skills, knowledge and experience) of the Board;
2. Assessment of the independence of the Independent Non-Executive Directors; and
3. Review of the policy on nomination of Directors.

Nomination Procedure

This Committee reviews the structure, size and composition (including skills, knowledge and experience) of the Board on a regular basis and makes recommendations to the Board regarding any proposed changes.

Appointments of new Directors are first considered by this Committee. In considering the appointment of a Director, this Committee applies criteria such as professional and educational background, relevant experience, and qualifications. The recommendations of this Committee are then put to the Board for consideration and approval. Thereafter, all Directors appointed to fill casual vacancy are subject to election by shareholders at the first general meeting after their appointment.

Management and the Company Secretary liaise with the newly appointed Directors to acquaint them with their duties and responsibilities as Directors and the business operations of the Company. A package of orientation materials setting out their duties and responsibilities under the Listing Rules, Companies Ordinance, and other relevant regulatory requirements of Hong Kong is also provided to each newly appointed Director.

Details on legal and regulatory changes are also provided to all Directors in the discharge of their duties.

提名委員會

組成

本委員會現時由李焯芬教授(本委員會主席)、劉高原先生及Iain Ferguson Bruce先生組成。本委員會大部份成員為獨立非執行董事。

角色及職能

成立本委員會旨在確保在委任新董事加入董事局方面有一套正式、經深思熟慮及具透明度之程序。本委員會之主要職責包括檢討董事局之架構、人數及組成，並於必要時提出改變的建議。其亦負責物色合資格加入董事局之人士，及就獲提名出任董事人士之遴選向董事局作出推薦。

工作概要

本委員會於截至二零零八年三月三十一日止年度之工作概要如下：

1. 檢討董事局之架構、人數及組成(包括技能、知識及經驗)；
2. 評估獨立非執行董事之獨立性；及
3. 檢討有關董事提名之政策。

提名程序

本委員會定期檢討董事局之架構、人數及組成(包括其技能、知識與經驗)，並就任何擬議改變向董事局提供意見。

新董事之委任由本委員會首先考慮。審議董事提名事宜時，本委員會考慮有關人士專業及教育背景、相關經驗及資歷等方面，並向董事局提議合適之候選人供審議及審批。此後，所有為填補臨時空缺而被委任的董事均在彼等獲委任後之首次股東大會上被股東選舉。

管理層及公司秘書會聯絡新獲委任董事，使彼等熟悉身為董事之職責及責任，以及公司之業務營運，並向其提供列載根據上市規則、公司條例及香港其他相關監管規定董事須有的職責及責任等要求之迎新文件。

公司也向所有董事提供有關履行其職責方面的法制及監管之變動詳情。

Finance and Investment Committee

Composition

This Committee currently comprises Mr Iain Ferguson Bruce (Chairman of this Committee), Mr Mok Yat Fan, Edmond and Mr Cheung Lee Ming, Andy.

Role and Function

This Committee is mainly responsible for making recommendations to the Board on matters relating to investing in assets, evaluating the budgets of all key expenditures, reviewing financial performance against forecast, and considering dividend payout.

Summary of Work Done

The following is a summary of the work performed by this Committee during the year ended 31 March 2008:

1. Review and evaluation of actual-to-budget results for the year ended 31 March 2007 and for the six months ended 30 September 2007 (including budget of all key expenditures);
2. Review of financial performance against forecast;
3. Discussion on changes in accounting standards which may affect the Company's financial statements for the year ended 31 March 2007 and for the six months ended 30 September 2007;
4. Consideration of the payment of the 2007 final dividend and 2008 interim dividend;
5. Review of the proposal on improving the treasury and investment yield; and
6. Review of the proposal on investment guidelines for treasury fund.

Disclosures Committee

Composition

This Committee currently comprises Mr Iain Ferguson Bruce (Chairman of this Committee), Mr Lau Ko Yuen, Tom and Mr Cheung Lee Ming, Andy.

Role and Function

This Committee is mainly responsible for overseeing disclosures to shareholders, the public, and relevant statutory authorities, and for overseeing compliance with any applicable legal requirements for disclosure.

Summary of Work Done

The work done by this Committee during the year ended 31 March 2008 included the review of the content of announcements relating to the annual results of the Group for the year ended 31 March 2007, and the interim results of the Group for the six months ended 30 September 2007.

財務及投資委員會

組成

本委員會現時由Iain Ferguson Bruce先生(本委員會主席)、莫一帆先生及張利民先生組成。

角色及職能

本委員會主要負責就有關資產投資向董事局提出建議、評估一切主要開支預算、審閱財政表現與預測進行比較，以及考慮派付股息。

工作概要

本委員會於截至二零零八年三月三十一日止年度之工作概要如下：

1. 檢討及評估截至二零零七年三月三十一日止年度及截至二零零七年九月三十日止六個月實際業績與預算是否相符(包括所有主要開支之預算)；
2. 檢討相對預測之財務表現；
3. 討論可能對本公司截至二零零七年三月三十一日止年度及截至二零零七年九月三十日止六個月之財務報表造成影響之會計準則之變動；
4. 審議二零零七年末期股息及二零零八年中期股息之派付事宜；
5. 檢討改善財資及投資回報率之建議；及
6. 檢討財資基金投資指引之建議。

披露委員會

組成

本委員會現時由Iain Ferguson Bruce先生(本委員會主席)、劉高原先生及張利民先生組成。

角色與職能

本委員會主要負責監督向股東、公眾及相關法定機構作出之披露，亦監管確保遵守任何有關披露之適用法例規定。

工作概要

本委員會於截至二零零八年三月三十一日止年度之工作包括審閱就本集團於截至二零零七年三月三十一日止年度之全年業績及本集團截至二零零七年九月三十日止六個月之中期業績所登載之公佈內容。

Executive Committee

Composition

The current members of this Committee are Mr Mok Yat Fan, Edmond (Chairman of this Committee) and Mr Cheung Lee Ming, Andy.

Role and Function

This Committee is mainly responsible for handling the management and operations of the day-to-day business of the Group.

Management Functions

The division of responsibilities between the Board and Management are clearly set out in writing to ensure that there is a segregation of duties with clear accountability.

The Board, under the leadership of the Chairman of the Company, has delegated all the day-to-day operations and management of the Company's business to Management, who is under the leadership of the Chief Executive Officer of the Company. Management is required to report to the Board on their decisions or recommendations.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the Directors.

All Directors have confirmed, following specific enquiry by the Company, that they complied with the required standard set out in the Model Code during the year ended 31 March 2008.

The Company has also adopted a code of conduct governing securities transactions by employees who are likely to be in possession of unpublished price-sensitive information in relation to the Group.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Group. With the assistance of the accounts department, which is under the supervision of the Qualified Accountant of the Company, the Directors ensure that the financial statements of the Group are prepared on a going concern basis and in accordance with statutory requirements and applicable financial reporting standards. The Directors also ensure that the financial statements of the Group are published in a timely manner.

The statement by the external auditors of the Company regarding their reporting responsibilities of the financial statements of the Group is set out in the Independent Auditor's Report on pages 66 and 67 of this annual report.

執行委員會

組成

本委員會之現任成員為莫一帆先生(本委員會主席)及張利民先生。

角色與職能

本委員會主要負責處理本集團日常業務之管理以及營運。

管理職能

董事局與管理層之職責區分以書面形式清晰列明，以保證各司其職。

以本公司主席為首的董事局已將本公司業務之一切日常營運及管理工作轉授予以本公司行政總裁為首的管理層負責。管理層須向董事局匯報其決議或建議。

董事之證券交易

本公司已採納上市規則附錄十所載，上市發行人進行證券買賣之標準守則(「標準守則」)，作為有關董事進行證券交易之操守守則。

本公司作出具體查詢後，全體董事已經確認，彼等於截至二零零八年三月三十一日止年度內均有遵守標準守則規定之準則。

本公司並採納了針對可能獲取有關本集團未公佈之股價敏感性資料的僱員進行證券交易的行為守則。

董事對財務報表之責任

董事確認彼等有責任編製本集團之財務報表。在會計部門(經本公司合資格會計師監督)協助下，董事確保本集團之財務報表乃根據法定要求及適用財務報告準則，按持續經營基準編製。董事亦確保本集團準時刊發其財務報表。

本公司外聘核數師就彼等對本集團之財務報表之申報責任所作聲明載於本年報第66頁及第67頁之獨立核數師報告書。

EXTERNAL AUDITORS

At the Company's Annual General Meeting held on 4 September 2007, shareholders approved the re-appointment of Deloitte Touche Tohmatsu as the Company's external auditors for the financial year ended 31 March 2008. Pursuant to the requirement under the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants, the audit partner of the Company's external auditors, after having served as the Group's audit partner since the year ended 31 March 2001, has ceased to act as the engagement partner after completion of the Group's audit for the year ended 31 March 2007 and has been replaced by a partner who has not had any previous involvement in the Group's audit.

The fees paid to the external auditors for audit and non-audit services for the year ended 31 March 2008 (and the comparative figures for the year ended 31 March 2007) are as follows:

外聘核數師

在本公司二零零七年九月四日舉行之股東週年大會上，股東批准續聘德勤•關黃陳方會計師行為本公司截至二零零八年三月三十一日止年度之外聘核數師。根據香港會計師公會頒佈之專業會計師操守準則之規定，本公司外聘核數師之審計合夥人（自截至二零零一年三月三十一日止年度起一直出任本集團之審計合夥人）於完成本集團截至二零零七年三月三十一日止年度審計後不再出任聘用合夥人，並由一位過往並無參與本集團審計工作之合夥人取代。

截至二零零八年三月三十一日止年度（及與截至二零零七年三月三十一日止年度之數字對照），應付本公司外聘核數師之核數及非核數服務之費用如下：

		2008 二零零八年 HK\$'000 千港元	2007 二零零七年 HK\$'000 千港元
Audit fee	核數費用	3,238	2,957
Non-audit services fees	非核數服務費用		
Interim review fee	中期審閱費用	630	570
Tax services	稅務服務	269	167
MPF audit	強積金核數	14	21
Agreed upon procedures	其他匯報服務	36	7
		949	765

The Audit Committee of the Company is responsible for approving the remuneration and terms of engagement of the external auditors and ensuring the continuing objectivity and independence of the external auditors. The Audit Committee of the Company has resolved to recommend the re-appointment of Deloitte Touche Tohmatsu as external auditors of the Company. This resolution has been endorsed by the Board and is subject to final approval and authorization by the shareholders at the 2008 Annual General Meeting.

本公司審核委員會負責審批聘用外聘核數師之薪酬及條件，並保證外聘核數師之持續客觀性及獨立性。本公司審核委員會已決定重新提名德勤•關黃陳方會計師行為本公司外聘核數師。此決議已被董事局批錄，並有待於二零零八年股東週年大會上進行最終審核及授權。

INTERNAL CONTROL AND RISK MANAGEMENT

Introduction

The Board acknowledges its responsibility for the Company's system of internal control and for reviewing its effectiveness. In meeting its responsibility, the Board seeks to increase risk awareness across the Company's business operations and has put in place policies and procedures which provide a framework for identification and management of risks.

The Board is also committed to managing risks and monitoring its business and financial activities in a manner which enables it to maximize profitable business opportunities, avoid or reduce risks which can cause loss or reputational damage, ensure compliance with applicable laws and regulations, and enhance resilience to external events.

Internal Control

The Company has had in place an integrated internal control framework, issued by COSO (the Committee of Sponsoring Organizations of the Treadway Commission) in the United States, in complying with Code Provisions of the Listing Rules. Internal control is defined as a process designed to provide reasonable assurance regarding the achievement of objectives in relation to the following:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting; and
- Compliance with applicable laws and regulations.

The main characteristics of the Company's internal control framework are set out below:

內部監控及風險管理

導言

董事局有責任維持本集團之內部監控系統及檢討其效益。為履行此責任，董事局致力於本公司業務營運中增強風險意識，並合理制定相關政策及程序，為風險識別及管理的提供框架。

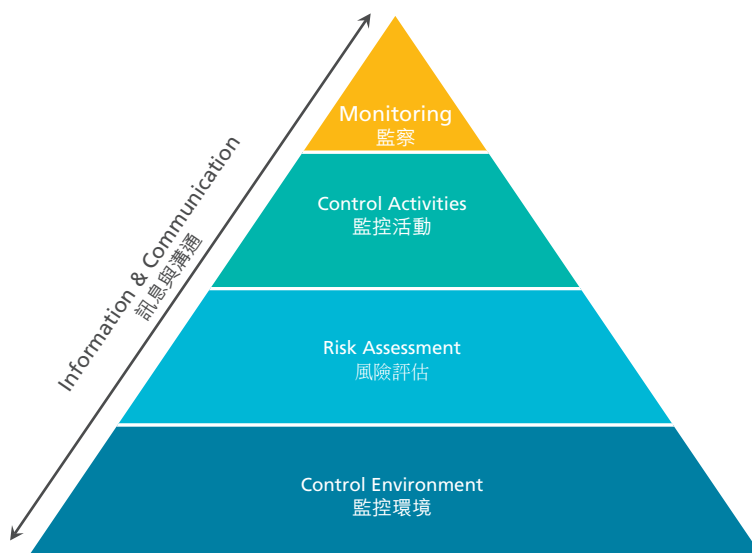
董事局亦致力管控風險及監察其業務及財務活動，務求能儘量提高可獲利商機、避免或減低可造成損失或破壞聲譽之風險、確保遵守適用法例法規以及提高對外來事件的恢復能力。

內部監控

本公司實行一套綜合內部監控框架，即美國的COSO (the Committee of Sponsoring Organizations of the Treadway Commission) 所頒佈，以助遵守上市規則之守則條文。內部監控被界定為因應就達致以下目標提供合理保證而制訂之流程：

- 營運效益及效率；
- 財務報告之可靠性；及
- 遵守適用法規。

本公司內部監控框架之主要特點載列如下：



This internal control framework can be divided into five inter-related components: control environment, risk assessment, control activities, monitoring and information & communication. It serves as criteria for the effectiveness of the internal control system in supporting the achievement of the separate but overlapping operational, financial reporting and compliance objectives.

The Board has overall responsibility for the Company's system of internal control and assessment of risks. The responsibility of day-to-day management of operational risks and the implementation of mitigation measures lies with Management.

Management has undertaken the following checks and balances to maintain an effective internal control system:

- A clear functional organizational structure was set up with well-defined lines of authority, accountability and responsibilities. Each division clearly understands their scope of business and authorities delegated by Management;
- A "Business Policy and Quality Management" directive was issued by Management to address various important aspects in enhancing prudence in managing and conducting business as a listed company;
- A monthly reporting system on the performance of works contracts, and actual financial performance results against budgets to Management was well established. The Board reviews the Company's operation and financial performance on a quarterly basis;
- Management reviews with each division on monthly basis to ensure that progress payments and final payments shall be received within a reasonable time. In parallel, accounts department also issues a summary of overdue trade receivable to each division regularly to assist the division heads to chase all outstanding payments and consequently to improve the Company cashflow position; and
- The Company is aware of controlling price-sensitive information and its obligations under the Listing Rules.

The Board conducted a review of the effectiveness of the Company's internal control systems during the year ended 31 March 2008, covering all material controls, including financial, operational and compliance controls, and risk management functions, and considers them adequate and effective.

該內部監控框架可分為五個相互關連部分：監控環境、風險評估、監控活動、監察及訊息與溝通。其作為評估內部監控系統是否能有效地支持並取得獨立但相互重疊之營運、財務報告及法規遵守之目標。

董事局須為本公司內部監控系統及風險評估作出整體之承擔。日常營運風險管理及減低風險措施之實施則由管理層負責。

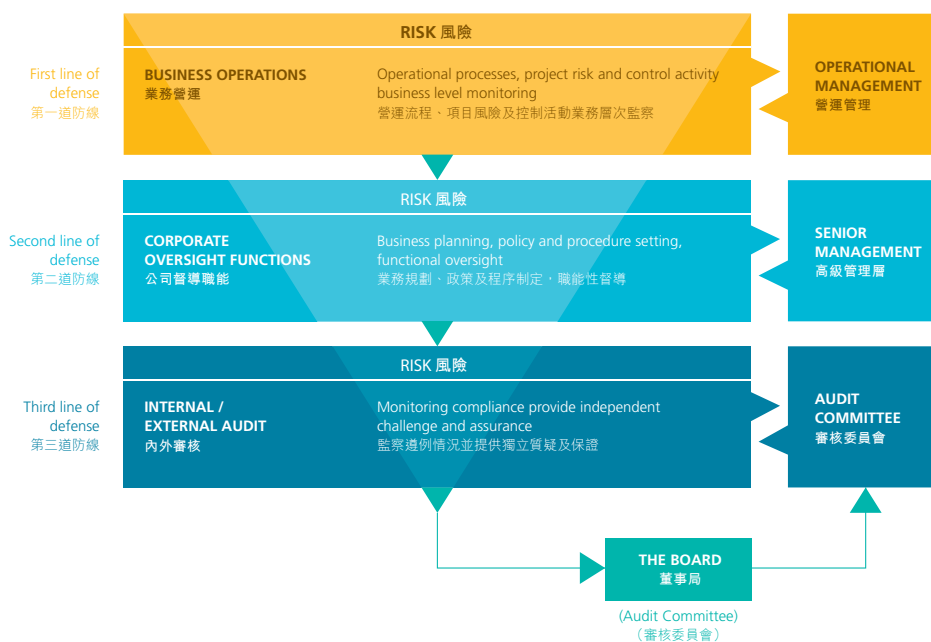
管理層已採取如下制約與平衡措施，維持有效之內部監控系統：

- 建立具清晰界線授權、問責及責任的清晰功能組織架構。各分部清楚了解其業務範疇及獲管理層授予之權力；
- 管理層已頒佈「業務政策與質量管理」指示，務求作為上市公司能以審慎管理應用在多個重要的業務運作之上；
- 上報管理層有關工程合約之表現、實際財務表現對比預算案之每月報告系統行之有效。董事局並會每季度檢討本公司之營運以及其財務表現；
- 管理層與各分部按月審閱，確保收款進度理想及可於合理時間內收到尾期付款。同時，會計部亦定期向各分部發出逾期未付應收貿易帳款概要，協助分部主管追收欠款，最終達致改善本公司現金流狀況；及
- 本公司明白須小心處理價格敏感資料及清楚其根據上市規則應承擔之責任。

董事局已就截至二零零八年三月三十一日止年度內本公司內部監控系統之效益進行檢討，檢討範圍涵蓋一切重要監控措施，包括財務監控、運作監控及合規監控，以及風險管理職能，並認為各方面均屬適當及有效。

Risk Management

The Company has established an enterprise risk management framework to identify potential events that may be affecting the Company, to manage risks within its risk appetite and to provide reasonable assurance regarding the achievement of the Company's objectives. It comprises of three lines of defence to provide Management, Audit Committee and the Board with the confidence that the Company is managing its risks and they are:



風險管理

本公司已建立風險管理框架，以辨認可能影響本公司之潛在事件，防範風險於未然，為達致本公司目標提供合理保障。此框架由三道防線組成，給予管理層、審核委員會及董事局對本公司能管控風險的信心，分別是：

This enterprise risk-management framework will enable the Company to have the following potential benefits:

- Greater likelihood of achieving business objectives;
- Higher share prices over the longer term;
- Reduction in management time spent "fire fighting";
- Increased likelihood of change initiatives being achieved;
- More focus internally on doing the right things properly;
- Better basis for strategy setting;
- Achievement of competitive advantage;
- Fewer sudden shocks and unwelcome surprises; and
- Early mover into new business areas.

Furthermore, the Company enhanced the tender estimating procedures to identify, control and report on major tendering and estimating risks, including unfamiliarised countries, nature of works, buildabilities and technical feasibilities, changes in tender requirements, unreasonable basis of costs analysis and insufficient information for Management determining final tender sum.

此企業風險管理框架對本公司有以下潛在好處：

- 較大可能達致業務目標；
- 長線利好股價；
- 減少管理層用於「救火」的時間；
- 提高達致積極改革的可能性；
- 更能驅使內部集中處理適當的事；
- 制定策略時更有把握；
- 達致競爭優勢；
- 減少突發震動及不愉快事件；及
- 在商場上早著先機。

另外，本公司改善其投標估計程序，以辨認、控制及匯報重大招標及估計風險，包括非熟悉國家、工程性質、可建造性及技術可行性、投標規定更改、不合理成本分析基準及資料不足等，以供管理層釐定最後投標金額。

Risk Assessment

During the year ended 31 March 2008, Management and the internal corporate audit department carried out the following risk-assessment exercises for the Company's operations and their progress and findings are reported to the Audit Committee of the Company quarterly:

- Setting the context of Company goals and objectives (financial as well as non-financial) for our risk-assessment process;
- Reviewing the Company's key documentation policies and procedures on strategic-management, core-business, and resource-management processes;
- Identifying, assessing and documenting the Company's high-level risks, including financial, operational and compliance aspects;
- Performing a walkthrough check of the high-level risks documented in the risk registers to ascertain whether the control design was effective in addressing the respective risk;
- Identifying and documenting any deviations from the enterprise risk-management framework and providing potential improvement opportunities for any inconsistencies or gaps;
- Conducting technical field audit to help in locating lacunae and deficiencies in site organisation structure and contract management aspects; and
- Preparing an annual risk-based internal audit plan which details the internal auditing works for the next fiscal year.

Internal Audit

The independent internal corporate audit department monitors compliance with management policies and procedures and with regulatory requirements, and conducts testings on the effectiveness of internal control measures. The head of the internal corporate audit department reports directly to the Audit Committee of the Company on audit and internal control matters. A full set of internal audit reports will also be provided to the external auditors.

The majority of key operational controls have been tested for their effectiveness by the internal corporate audit department and a review of the internal control system will be performed at least annually. The testing determines the extent to which operational procedures and controls are being properly followed and implemented in the Company. Based on the results of the tests, division heads are able to prove to Management that internal controls are working as intended or that necessary corrections have been made where control weaknesses were found. Management has adopted all the recommendations and established clear timelines for implementation. Progress will be reported to the Audit Committee of the Company and the Board on quarterly basis.

風險評估

截至二零零八年三月三十一日止年度內，管理層及公司內部審核部對本公司現有營運進行如下風險評估，並將評估進度及結果按季向本公司審核委員會匯報：

- 設定本公司就本身風險評估流程的目標及宗旨（財務以至非財務）的內容；
- 檢討本公司有關策略管理、核心業務及資源管理流程之主要文件處理政策及程序；
- 辨認、評估及記錄本公司高層風險，包括財務、營運及遵例各方面；
- 對風險登記冊中記錄之高層風險作概括審查，以確定監控設計能否有效地應對相關風險；
- 辨認及記錄任何有異於企業風險管理框架之情況，從而改善任何差異或漏洞；
- 進行技術性實地審核，以幫助找出地盤組織架構及合約管理方面之空白及不足之處；及
- 編製年度針對風險的內部審核計劃，詳列下一財政年度之內部審核工作。

內部審核

獨立內部企業審核部負責監察管理政策與程序以及法規規定之合規情況，並對內部監控措施之有效性進行測試。內部企業審核部門主管就內部監控事宜直接向本公司審核委員會匯報。整份內部審核報告亦會提供予外聘核數師。

大部分主要營運監控措施均經由公司內部審核部測試其效益，而內部監控系統檢討亦將至少每年進行一次。測試可了解到營運程序及監控措施於本公司是否妥當地遵行及其實施的程度。基於測試結果，各分部主管能向管理層證實內部監控措施是按計劃運作，或已就發現的監控弱點作出必要修正。管理層已採納所有建議並制定清晰的實施時間表。進度將按季向本公司審核委員會及董事局匯報。

Using risk-assessment methodology and taking into account the dynamics of the Company's activities, the internal corporate audit department delivers its annual audit plan for next fiscal year which is approved by the Audit Committee of the Company. Under the approved Internal Corporate Audit Charter by the Board, the internal corporate audit department has unrestricted access to information and complete freedom to draw independent conclusions in their audit.

Any significant internal audit findings are discussed with respective division heads to have actions agreed and subsequently followed up, in order to ensure that the risks are mitigated. Whilst the enterprise risk-management framework is designed to identify and manage risks that could adversely impact the achievement of the Company's business objectives, they do not provide absolute assurance against misstatement, errors, losses or fraud.

Investor relations and shareholder rights

In order to enhance shareholder and investor understanding of the Group's business, the Company has established several communication channels with shareholders and investors, including (i) printed copies of corporate documents (including but not limited to annual reports, interim reports, circulars, announcements, media releases, and notices of shareholder meetings); (ii) general meetings where shareholders can offer comments and exchange views with the Board; (iii) the Company's website: www.pyengineering.com; and (iv) the Company's share registrar with whom shareholders register their shares.

Shareholders are encouraged to attend all general meetings of the Company, where the Chairman of the Company, Directors, and the external auditors are available to answer questions on the Group's businesses. In order to conduct the general meetings in a transparent manner, it has been the Company's practice since 2005 to conduct poll voting at general meetings with each share entitled to one vote. Separate resolutions are proposed for each substantive issue, including the election of individual Director.

The last shareholders' meeting of the Company was the special general meeting held on 29 May 2008. The major item discussed was approval of adjustment of annual caps for continuing connected transactions with PYI Corporation Limited and 100% of the votes cast were in favour of this resolution. The results of the voting by poll have been published on the websites of the Company and the Hong Kong Stock Exchange.

Details of the interests of Directors and substantial shareholders in the shares of the Company are shown on pages 51 and 63 of this annual report.

採用風險評估方法以配合本公司業務的動態，公司內部審核部製發出未來財政年度之年審核計劃書，供本公司審核委員會批核。根據董事局批准的公司內部審核誓章，公司內部審核部可不受限制取閱資料，並完全不受干預地作出獨立審核結論。

內部審核發現之任何重大問題會與相關分部主管討論，以協議將採取之行動並隨後跟進，旨在確保減輕風險。儘管企業風險管理框架乃用於辨別並管理可能對達至本公司業務目標造成不利影響之風險，但其不就防止錯誤陳述、差錯、損失或欺詐提供絕對保證。

投資者關係及股東權利

為加深股東及投資者對本集團業務之了解，本公司已建立不同渠道與股東及投資者溝通，包括(i)印製之公司刊物(包括而不限於年報、中期報告、通函、公佈、新聞稿及股東大會通告)；(ii)股東大會讓股東可向董事局提出意見及交流觀點；(iii)本公司網站 www.pyengineering.com；及(iv)本公司之股份過戶登記處處處理股東之股份登記。

本公司鼓勵股東出席所有股東大會。本公司主席、董事及外聘核數師均會出席大會，回答有關本集團業務之問題。為了讓股東大會具透明度地進行，本公司自二零零五年起採取股東大會以點票方式表決的做法，即每股股份可投一票。至於重大事項，則會就各個事項分開提呈決議案，包括選任個別董事。

本公司上次股東大會為二零零八年五月二十九日舉行之股東特別大會。主要討論議題為批准與保華集團有限公司之持續關連交易之年度上限，結果本決議案獲100%贊成票。點票表決結果已在本公司及香港聯交所網站刊載。

董事及主要股東於本公司股份之權益見本年報第51頁及第63頁。

OTHER CORPORATE INFORMATION

Memorandum and Articles of Association

There were no changes to the Company's memorandum and articles of association during the year ended 31 March 2008.

Key Corporate Dates

其他公司資料

組織章程大綱及細則

截至二零零八年三月三十一日止年度內，本公司組織章程大綱及細則概無變動。

公司重要日期

Events 事項	Dates 日期
Announcement of 2008 interim results 公佈二零零八年中期業績	14 December 2007 二零零七年十二月十四日
Closure of register of members 暫停辦理股東登記手續	7 to 9 January 2008 二零零八年一月七日至二零零八年一月九日
Payment of 2008 interim dividend 派付二零零八年中期股息	4 February 2008 二零零八年二月四日
Announcement of 2008 annual results 公佈二零零八年全年業績	18 July 2008 二零零八年七月十八日
2008 annual general meeting 二零零八年股東週年大會	4 September 2008 二零零八年九月四日
Closure of register of members 暫停辦理股東登記手續	17 to 19 September 2008 二零零八年九月十七日至二零零八年九月十九日
Payment of 2008 final dividend 派付二零零八年末期股息	17 October 2008 二零零八年十月十七日

Public Float Capitalisation

The public float capitalisation of the Company was approximately HK\$199 million on 31 March 2008, and approximately HK\$181 million on the date of this report.

公眾持股市值

本公司於二零零八年三月三十一日及本報告書日期之公眾持股市值分別約為1.99億港元及1.81億港元。

By order of the Board

承董事局命

Mui Ching Hung, Joanna

Company Secretary

梅靜紅

公司秘書

Hong Kong, 18 July 2008

香港，二零零八年七月十八日

Directors' Report 董事局報告書

The directors present their annual report and the audited consolidated financial statements of Paul Y. Engineering Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2008.

PRINCIPAL ACTIVITIES

The Company is an investment holding company.

The activities of its principal subsidiaries, associates and jointly controlled entity at 31 March 2008 are set out in note 43 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group and appropriations of the Company for the year ended 31 March 2008 are set out in the consolidated income statement on page 68 of the annual report and in the accompanying notes to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2008, the five largest customers and the single largest customer of the Group accounted for approximately 73% and 21% of the turnover of the Group, respectively. The aggregate purchases attributable to the five largest suppliers of the Group during the year were less than 30% of the purchases of the Group.

As far as the Directors are aware, none of the Directors, their associates, within the meaning of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") (the "Listing Rules"), or those shareholders which to the knowledge of the directors own more than 5% of the Company's share capital have an interest in any of the five largest customers of the Group for the year ended 31 March 2008.

董事謹提呈保華建業集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零零八年三月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為一家投資控股公司。

本公司之主要附屬公司、聯營公司及共同控制機構於二零零八年三月三十一日之業務載列於綜合財務報表附註43。

業績及利潤分配

本集團截至二零零八年三月三十一日止年度之業績及本公司於同年之利潤分配，載列於本年報第68頁綜合收益表，以及綜合財務報表附註。

主要客戶及供應商

截至二零零八年三月三十一日止年度，本集團五大客戶及單一最大客戶分別佔本集團之營業額約73%及21%。年內，本集團五大供應商合佔本集團之購貨量不足30%。

據董事所知，概無董事、彼等之聯繫人士(按香港聯合交易所有限公司(「香港聯交所」)證券上市規則(「上市規則」)界定)或就董事所知擁有本公司股本超過5%之股東在截至二零零八年三月三十一日止年度內於本集團五大客戶擁有任何股權權益。

LIQUIDITY AND CAPITAL RESOURCES

The Group currently maintains a variety of credit facilities to meet its working capital requirements. At 31 March 2008, the Group's total borrowings amounted to approximately HK\$203,662,000 with approximately HK\$197,715,000 repayable within one year, approximately HK\$1,551,000 repayable between one to two years and approximately HK\$4,396,000 repayable between two to five years. Cash, bank balances and deposits at 31 March 2008 amounted to approximately HK\$469,482,000. The Group's current ratio was approximately 1.2 and the Group's total borrowings to equity ratio was approximately 0.4 at 31 March 2008.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group spent approximately HK\$8,500,000 on property, plant and equipment to expand and upgrade its operating capacity.

Details of these and other movements in the property, plant and equipment of the Group during the year are set out in note 16 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the issued share capital of the Company during the year are set out in note 34 to the consolidated financial statements.

SHARE OPTIONS

Particulars of the share option schemes and details of movements in the share options of the Company and its holding company during the year are set out in note 35 to the consolidated financial statements.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to shareholders as at 31 March 2008 comprised the accumulated profits of HK\$85,784,000 (2007: HK\$48,176,000).

流動資金及資本來源

本集團現時為應付營運資金需要而備有多項信貸融通額。於二零零八年三月三十一日，本集團借款共達約203,662,000港元，其中約197,715,000港元須於一年內償還，約1,551,000港元須於一至兩年內償還，約4,396,000港元須於二至五年內償還。於二零零八年三月三十一日之現金、銀行結餘及存款約為469,482,000港元。於二零零八年三月三十一日，本集團之流動比率約為1.2，而本集團之總借貸對權益比率約為0.4。

物業、機械及設備

年內，本集團之物業、機械及設備開支約為8,500,000港元，乃用於擴充及提升營運設施。

年內，本集團物業、機械及設備之上述變動及其他變動詳情載列於綜合財務報表附註16。

股本

年內，本公司已發行股本之變動詳情載列於綜合財務報表附註34。

購股權

年內，本公司及其控股公司之購股權計劃之資料及購股權變動詳情載列於綜合財務報表附註35。

本公司之可供分派儲備

於二零零八年三月三十一日，本公司可供分派予股東之儲備包括累計溢利85,784,000港元（二零零七年：48,176,000港元）。

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Independent Non-Executive Directors

James Chiu, OBE, JP (Chairman)

Lee Chack Fan, SBS, JP

Iain Ferguson Bruce

Non-Executive Director

Lau Ko Yuen, Tom (Deputy Chairman)

Executive Directors

Mok Yat Fan, Edmond

(Chief Executive Officer)

Cheung Lee Ming, Andy

(Chief Financial Officer)

Lee Hon Chiu

(appointed on 18
July 2008)

(resigned on 1 May
2008)

In accordance with Bye-law 86(2) of the Company's Bye-laws, Mr Cheung Lee Ming, Andy retires at the forthcoming annual general meeting. In addition, in accordance with Bye-laws 87(1) and 87(2) of the Company's Bye-laws, Mr Lau Ko Yuen, Tom and Mr Iain Ferguson Bruce retire by rotation at the forthcoming annual general meeting. All retiring directors, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Non-executive directors are appointed for a specific term of approximately three years, and they are subject to retirement by rotation under the Company's Bye-laws.

DIRECTORS' SERVICE CONTRACTS

None of the directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

董事

本公司於本年度及截至本報告日期之董事如下：

獨立非執行董事

趙雅各，OBE，JP (主席)

李焯芬，SBS，JP

Iain Ferguson Bruce

非執行董事

劉高原 (副主席)

執行董事

莫一帆

(行政總裁)

張利民

(財務總裁)

李漢潮

(於二零零八年七月
十八日獲委任)

(於二零零八年五月
一日辭任)

根據本公司之公司細則第86(2)條，張利民先生於即將召開之股東大會上告退。另外，根據本公司之公司細則第87(1)及87(2)條，劉高原先生及Iain Ferguson Bruce先生於即將召開之股東週年大會上告退。所有退任董事均合資格並願意於即將召開之股東週年大會上膺選連任。

非執行董事之任期由其獲委任當日開始，直至其須約每三年最少一次，及根據本公司之公司細則輪席退任為止。

董事之服務合約

擬於即將召開之股東週年大會上膺選連任之董事，概無與本集團訂立任何不得於一年內被本集團終止而毋須作出賠償(法定賠償除外)之服務合約。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 31 March 2008, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in the Listing Rules were as follows:

董事於股份、相關股份及債券之權益及淡倉

於二零零八年三月三十一日，本公司董事及主要行政人員於本公司或任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第十五部）之股份、相關股份及債券中持有根據證券及期貨條例第352條須存置於本公司登記冊內之權益及淡倉，或根據上市規則之上市公司董事進行證券交易之標準守則（「標準守則」）而須另行知會本公司及香港聯交所之權益及淡倉如下：

(a) Interests in shares and underlying shares of the Company

(a) 於本公司股份及相關股份之權益

Name of director	Capacity	Long position	Number of shares of the Company held	Number of underlying shares (in respect of the share options (unlisted equity derivatives)) of the Company held	Total	Approximate percentage of shareholding of the Company
董事姓名	身份	好倉	所持本公司股份數目	所持本公司相關股份（有關購股權（非上市股本衍生工具））數目	總計	佔本公司股權之概約百分比
James Chiu 趙雅各	Beneficial owner 實益擁有人	Long position 好倉	—	500,000 (note i) (附註i)	500,000	0.08%
Lau Ko Yuen, Tom 劉高原	Beneficial owner 實益擁有人	Long position 好倉	—	500,000 (note i) (附註i)	500,000	0.08%
Mok Yat Fan, Edmond 莫一帆	Beneficial owner 實益擁有人	Long position 好倉	—	3,714,000 (note ii) (附註ii)	3,714,000	0.62%
Lee Hon Chiu 李漢潮	Beneficial owner 實益擁有人	Long position 好倉	—	1,500,000 (note iii) (附註iii)	1,500,000	0.25%
Lee Chack Fan 李焯芬	Beneficial owner 實益擁有人	Long position 好倉	—	500,000 (note i) (附註i)	500,000	0.08%
Iain Ferguson Bruce	Beneficial owner 實益擁有人	Long position 好倉	706,271	500,000 (note i) (附註i)	1,206,271	0.20%

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

(a) Interests in shares and underlying shares of the Company (continued)

Notes:

- (i) The share options were granted to Ir James Chiu, Mr Lau Ko Yuen, Tom, Professor Lee Chack Fan and Mr Iain Ferguson Bruce on 8 June 2007 under the share option scheme of the Company adopted on 7 September 2005 ("Share Option Scheme") and entitle each of them to subscribe for 500,000 shares upon exercise at an exercise price of HK\$1.36 per share exercisable during the period from 1 July 2007 to 30 June 2009.
- (ii) The share options were granted to Mr Mok Yat Fan, Edmond on 13 July 2006 under the Share Option Scheme and entitle him to subscribe for a total of 3,714,000 shares upon exercise at an exercise price of HK\$1.00 per share (as to 214,000 options exercisable during the period from 13 July 2006 to 12 July 2008, as to 1,500,000 options exercisable during the period from 13 July 2007 to 12 July 2009 and as to 2,000,000 options exercisable during the period from 13 July 2008 to 12 July 2009).
- (iii) The share options were granted to Mr Lee Hon Chiu on 3 February 2006 under the Share Option Scheme and entitle him to subscribe for a total of 1,500,000 shares upon exercise at the exercise prices of HK\$0.70 (as to 500,000 options exercisable during the period from 3 February 2006 to 6 September 2015), HK\$0.85 (as to 500,000 options exercisable during the period from 1 January 2007 to 6 September 2015) and HK\$1.00 (as to 500,000 options exercisable during the period from 1 January 2008 to 6 September 2015) per share.

董事於股份、相關股份及債券之權益及淡倉 (續)

(a) 於本公司股份及相關股份之權益 (續)

附註：

- (i) 該等購股權乃根據本公司於二零零五年九月七日採納之購股權計劃(「購股權計劃」)於二零零七年六月八日授予趙雅各工程師、劉高原先生、李焯芬教授及Iain Ferguson Bruce先生，並授權彼等每人按行使價每股1.36港元認購500,000股股份，可於二零零七年七月一日至二零零九年六月三十日期間行使。
- (ii) 該等購股權乃根據購股權計劃於二零零六年七月十三日授予莫一帆先生，並授權彼按行使價每股1.00港元認購共3,714,000股股份(其中214,000份購股權可於二零零六年七月十三日至二零零八年七月十二日期間行使，1,500,000份購股權可於二零零七年七月十三日至二零零九年七月十二日期間行使，及2,000,000份購股權可於二零零八年七月十三日至二零零九年七月十二日期間行使)。
- (iii) 該等購股權乃根據購股權計劃於二零零六年二月三日授予李漢潮先生，並授權彼認購合共1,500,000股股份，當中500,000份購股權可於二零零六年二月三日至二零一五年九月六日期間按行使價每股0.70港元行使、500,000份購股權可於二零零七年一月一日至二零一五年九月六日期間按行使價每股0.85港元行使、及500,000份購股權可於二零零八年一月一日至二零一五年九月六日期間按行使價每股1.00港元行使。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (continued)

董事於股份、相關股份及債券之權益及淡倉 (續)

(b) Interests in shares and underlying shares of PYI Corporation Limited ("PYI")

(b) 於保華集團有限公司(「PYI」)之股份及相關股份之權益

Name of director	Capacity	Long position	Number of shares of PYI held	Number of underlying shares (in respect of the share options (unlisted equity derivatives)) of PYI held	Total	Approximate percentage of shareholding of PYI
董事姓名	身份	好倉	所持PYI股份數目	所持PYI相關股份(有關購股權(非上市股本衍生工具))數目	總計	佔PYI股權之概約百分比
Lau Ko Yuen, Tom 劉高原	Beneficial owner 實益擁有人	Long position 好倉	4,745,825	33,900,000 (note i) (附註i)	38,645,825	2.56%
Mok Yat Fan, Edmond 莫一帆	Beneficial owner 實益擁有人	Long position 好倉	300,000	3,000,000 (note ii) (附註ii)	3,300,000	0.22%

Notes:

- (i) The share options were granted to Mr Lau Ko Yuen, Tom pursuant to the share option scheme of PYI adopted on 27 August 2002 ("PYI Share Option Scheme"). The said share options comprised (i) 13,000,000 options granted to him on 28 December 2004 which entitle him to subscribe for a total of 13,000,000 shares upon exercise at the exercise prices of HK\$1.24 (as to 6,500,000 options) and HK\$1.50 (as to 6,500,000 options) per share exercisable during the period from 28 December 2004 to 26 August 2012; (ii) 9,200,000 options granted to him on 8 September 2006 which entitle him to subscribe for a total of 9,200,000 shares upon exercise at an exercise price of HK\$2.48 per share (as to 4,600,000 options exercisable during the period from 8 September 2007 to 7 September 2008 and as to 4,600,000 options exercisable during the period from 8 September 2008 to 7 September 2009); and (iii) 11,700,000 options granted to him on 18 September 2007 which entitle him to subscribe for a total of 11,700,000 shares upon exercise at an exercise price of HK\$3.546 per share (as to 3,900,000 options exercisable during the period from 18 September 2007 to 17 September 2008, as to 3,900,000 options exercisable during the period from 18 September 2008 to 17 September 2009 and as to 3,900,000 options exercisable during the period from 18 September 2009 to 17 September 2010).
- (ii) The share options were granted to Mr Mok Yat Fan, Edmond on 8 September 2006 under the PYI Share Option Scheme and entitle him to subscribe for a total of 3,000,000 shares upon exercise at an exercise price of HK\$2.43 per share (as to 1,500,000 options exercisable during the period from 1 August 2007 to 31 July 2008 and as to 1,500,000 options exercisable during the period from 1 August 2008 to 31 July 2009).

附註：

- (i) 該等購股權乃根據PYI於二零零二年八月二十七日採納之購股權計劃(「PYI購股權計劃」)授予劉高原先生。上述購股權包括(i) 13,000,000份於二零零四年十二月二十八日授予彼之購股權，授權彼認購共13,000,000股股份，可於二零零四年十二月二十八日至二零零二年八月二十六日期間按行使價每股1.24港元(其中6,500,000份購股權)及1.50港元(其中6,500,000份購股權)行使；(ii) 9,200,000份購股權於二零零六年九月八日授予彼之購股權，授權彼認購共9,200,000股股份，行使價為每股2.48港元，其中4,600,000份購股權可於二零零七年九月八日至二零零八年九月七日期間行使及4,600,000份購股權可於二零零八年九月八日至二零零九年九月七日期間行使；及(iii) 11,700,000份於二零零七年九月十八日授予彼之購股權，授權彼認購共11,700,000股股份，行使價為每股3.546港元，其中3,900,000份購股權可於二零零七年九月十八日至二零零八年九月十七日期間行使，3,900,000份購股權可於二零零八年九月十八日至二零零九年九月十七日期間行使，及3,900,000份購股權可於二零零九年九月十八日至二零一零年九月十七日期間行使。
- (ii) 該等購股權乃根據PYI購股權計劃於二零零六年九月八日授予莫一帆先生，並授權彼認購合共3,000,000股股份，行使價為每股2.43港元，其中1,500,000份購股權可於二零零七年八月一日至二零零八年七月三十一日期間行使，及1,500,000份購股權可於二零零八年八月一日至二零零九年七月三十一日期間行使。

**DIRECTORS' INTERESTS AND SHORT POSITIONS
IN SHARES, UNDERLYING SHARES AND
DEBENTURES (continued)**

**(b) Interests in shares and underlying shares of PYI
Corporation Limited ("PYI") (continued)**

PYI, the ultimate holding company of the Company, is an associated corporation, within the meaning of Part XV of the SFO, of the Company.

Save as disclosed above, at 31 March 2008, none of the directors or chief executives of the Company had any interest or short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

**董事於股份、相關股份及債券之權益及淡倉
(續)**

**(b) 於保華集團有限公司(「PYI」)之股份及相關股份之
權益(續)**

本公司之最終控股公司PYI，為本公司之相聯法團（定義見證券及期貨條例第十五部）。

除上文所披露者外，於二零零八年三月三十一日，本公司董事或主要行政人員及彼等之聯繫人士概無於本公司或任何相聯法團（定義見證券及期貨條例第十五部）之股份、相關股份或債券中擁有根據證券及期貨條例第352條須存置於本公司登記冊內之任何權益或淡倉，或根據標準守則而須另行知會本公司及香港聯交所之權益或淡倉。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

(a) The Company

i) Share option scheme

Details of movements in the share options of the Company granted under the share option scheme of the Company adopted on 7 September 2005 during the year are as follows:

購買股份或債券之安排

(a) 本公司

i) 購股權計劃

年內根據本公司於二零零五年九月七日採納之購股權計劃授出之本公司購股權之變動如下：

Name/Capacity of eligible person	Date of grant	Vesting date	Exercise period	Exercise price per share	Number of shares of the Company to be issued upon exercise of the share options 因行使購股權而將予發行之本公司股份數目				
					Outstanding at 1.4.2007 於二零零七年 四月一日 尚未行使	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at 31.3.2008 於二零零八年 三月三十一日 尚未行使
合資格人士姓名／身份	授出日期	歸屬日期	行使期	每股行使價 HK\$ 港元		年內授出	年內行使	年內失效	
Director 董事									
James Chiu 趙雅各	8.6.2007	1.7.2007	1.7.2007 – 30.6.2009	1.36	–	500,000	–	–	500,000
Lau Ko Yuen, Tom 劉高原	8.6.2007	1.7.2007	1.7.2007 – 30.6.2009	1.36	–	500,000	–	–	500,000
Mok Yat Fan, Edmond 莫一帆	13.7.2006	13.7.2006	13.7.2006 – 12.7.2008	1.00	1,500,000	–	(1,286,000)	–	214,000
	13.7.2006	13.7.2007	13.7.2007 – 12.7.2009	1.00	1,500,000	–	–	–	1,500,000
	13.7.2006	13.7.2008	13.7.2008 – 12.7.2009	1.00	2,000,000	–	–	–	2,000,000
Lee Chack Fan 李焯芬	8.6.2007	1.7.2007	1.7.2007 – 30.6.2009	1.36	–	500,000	–	–	500,000
Iain Ferguson Bruce	8.6.2007	1.7.2007	1.7.2007 – 30.6.2009	1.36	–	500,000	–	–	500,000
Lee Hon Chiu * 李漢潮*	3.2.2006	3.2.2006	3.2.2006 – 6.9.2015	0.70	500,000	–	–	–	500,000
	3.2.2006	1.1.2007	1.1.2007 – 6.9.2015	0.85	500,000	–	–	–	500,000
	3.2.2006	1.1.2008	1.1.2008 – 6.9.2015	1.00	500,000	–	–	–	500,000
Employees 僱員	3.2.2006	3.2.2006	3.2.2006 – 6.9.2015	0.70	1,000,000	–	(1,000,000)	–	–
	3.2.2006	1.1.2007	1.1.2007 – 6.9.2015	0.85	1,000,000	–	(1,000,000)	–	–
	3.2.2006	1.1.2008	1.1.2008 – 6.9.2015	1.00	1,000,000	–	–	(1,000,000)	–
	9.2.2006	9.2.2008	9.2.2008 – 8.2.2009	0.90	5,600,000	–	–	(2,800,000)	2,800,000
	13.7.2006	13.7.2007	13.7.2007 – 12.7.2009	1.00	1,500,000	–	–	(1,500,000)	–
	30.5.2007	1.7.2007	1.7.2007 – 30.6.2008	1.34	–	1,500,000	–	–	1,500,000
	30.5.2007	1.7.2008	1.7.2008 – 30.6.2009	1.34	–	1,500,000	–	–	1,500,000
	30.5.2007	9.2.2008	9.2.2008 – 8.2.2009	1.34	–	10,600,000	–	(1,100,000)	9,500,000
	28.12.2007	1.9.2008	1.9.2008 – 31.8.2009	1.40	–	600,000	–	–	600,000
Other participants 其他參與者	30.5.2007	9.2.2008	9.2.2008 – 8.2.2009	1.34	–	2,400,000	–	(600,000)	1,800,000
	28.12.2007	1.6.2008	1.6.2008 – 31.5.2009	1.40	–	1,000,000	–	–	1,000,000
					16,600,000	19,600,000	(3,286,000)	(7,000,000)	25,914,000

* Resigned as director on 1 May 2008.

* 於二零零八年五月一日辭任董事。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES (continued)

(a) The Company (continued)

i) Share option scheme (continued)

No share options of the Company were cancelled during the year.

The closing prices of the Company's shares on the trading days immediately before 30 May 2007, 8 June 2007, and 28 December 2007 being the dates on which the share options were granted during the year, were HK\$1.33, HK\$1.33 and HK\$1.36 respectively.

In respect of the 3,286,000 share options exercised during the year, the weighted average closing price of the Company's shares immediately before the dates on which such options were exercised was HK\$1.31.

Particular of share option scheme of the Company are set out in note 35 to the consolidated financial statements.

ii) Share award scheme

This scheme, which was adopted by the Company on 6 September 2006, allows the Company to make bonus payments to eligible persons (including employees, directors, consultants, advisers and agents of the Group) by way of the Company's shares acquired by and held through an independent trustee until fulfilment of specified conditions before vesting.

During the year, a total of 515,000 shares of the Company were awarded to 46 employees under this scheme. These shares were held by the trustee, BOCI-Prudential Trustee Limited until they are vested. A total of 240,000 shares were vested during the year.

None of the directors of the Company were awarded any of the Company's shares under this share award scheme during the year or at 31 March 2008.

購買股份或債券之安排(續)

(a) 本公司(續)

i) 購股權計劃(續)

年內概無已註銷之本公司購股權。

緊接二零零七年五月三十日、二零零七年六月八日及二零零七年十二月二十八日(即於年內授出購股權日期)前之交易日本公司股份之收市價分別為1.33港元、1.33港元及1.36港元。

就年內行使之3,286,000份購股權而言，緊隨該等購股權獲行使日期前，本公司股份之加權平均收市價為1.31港元。

本公司購股權計劃詳情載於綜合財務報表附註35。

ii) 股份獎勵計劃

根據本公司於二零零六年九月六日採納之股份獎勵計劃，本公司可向合資格人士(包括本集團之僱員、董事、顧問、諮詢人及代理人)以本公司之股份的形式派發花紅，此等股份將由一名獨立受託人購入及持有，直至指定的歸屬條件達成為止。

年內，本公司根據該計劃向46名僱員授出合共515,000股本公司股份。該等股份獲歸屬前由信托人中銀國際英國保誠信託有限公司持有。年內合共240,000股股份獲歸屬。

年內或於二零零八年三月三十一日，概無本公司董事根據此股份獎勵計劃獲授任何本公司股份。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES (continued)

(a) The Company (continued)

iii) Share financing plan

This plan, which was adopted by the Company on 6 September 2006, allows eligible persons (including employees, directors, consultants, advisers and agents of the Group) to borrow funds from the Company or from a company within the Group to acquire new or old shares of the Company on a non-recourse basis with the subject shares pledged to the Company as security subject always to connected transaction and other relevant provisions under the Listing Rules.

None of the directors of the Company acquired any of the Company's shares under this share financing plan during the year or at 31 March 2008.

購買股份或債券之安排(續)

(a) 本公司(續)

iii) 股份融資計劃

本公司於二零零六年九月六日採納之計劃容許合資格人士(包括本集團之僱員、董事、顧問、諮詢人及代理人)向本公司或本集團內一間公司借款以無追索權基準購買本公司新舊股份，而此等股份則質押予本公司作為抵押品，惟須符合上市規則有關關連交易及其他相關條文之規定。

年內或於二零零八年三月三十一日，概無本公司董事根據此股份融資計劃購買任何本公司股份。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES (continued)

(b) PYI

i) Share option scheme

Details of movements in the share options of PYI granted under the share option scheme of PYI adopted on 27 August 2002 to the directors of the Company during the year are as follows:

購買股份或債券之安排(續)

(b) PYI

i) 購股權計劃

年內本公司董事根據PYI於二零零二年八月二十七日採納之購股權計劃獲授之PYI購股權之變動詳情如下：

Name of director 董事姓名	Date of grant 授出日期	Vesting date 歸屬日期	Exercise period 行使期	Exercise price per share 每股行使價 HK\$ 港元	Number of shares of PYI to be issued upon exercise of the share options 因行使購股權而將予發行之PYI股份數目			
					Outstanding at 1.4.2007 於二零零七年 四月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Outstanding at 31.3.2008 於二零零八年 三月三十一日 尚未行使
Lau Ko Yuen, Tom 劉高原	28.12.2004	28.12.2004	28.12.2004 – 26.8.2012	1.24	6,500,000	–	–	6,500,000
	28.12.2004	28.12.2004	28.12.2004 – 26.8.2012	1.50	6,500,000	–	–	6,500,000
	8.9.2006	8.9.2006	8.9.2006 – 7.9.2007	2.48	4,600,000	–	(4,600,000)	–
	8.9.2006	8.9.2007	8.9.2007 – 7.9.2008	2.48	4,600,000	–	–	4,600,000
	8.9.2006	8.9.2008	8.9.2008 – 7.9.2009	2.48	4,600,000	–	–	4,600,000
	18.9.2007	18.9.2007	18.9.2007 – 17.9.2008	3.546	–	3,900,000	–	3,900,000
	18.9.2007	18.9.2008	18.9.2008 – 17.9.2009	3.546	–	3,900,000	–	3,900,000
	18.9.2007	18.9.2009	18.9.2009 – 17.9.2010	3.546	–	3,900,000	–	3,900,000
Mok Yat Fan, Edmond 莫一帆	8.9.2006	8.9.2006	8.9.2006 – 7.9.2007	2.43	500,000	–	(500,000)	–
	8.9.2006	1.8.2007	1.8.2007 – 31.7.2008	2.43	1,500,000	–	–	1,500,000
	8.9.2006	1.8.2008	1.8.2008 – 31.7.2009	2.43	1,500,000	–	–	1,500,000
					30,300,000	11,700,000	(5,100,000)	36,900,000

No share options of PYI granted to the above directors of the Company were cancelled or lapsed during the year.

年內上述董事獲授之PYI購股權概無註銷或失效。

Particulars of share option scheme of PYI are set out in note 35 to the consolidated financial statements.

PYI購股權計劃詳情載於綜合財務報表附註35。

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES (continued)

(b) PYI (continued)

ii) Share award scheme

This scheme, which was adopted by PYI on 23 February 2006, allows PYI to make bonus payments to eligible persons (including employees, directors, consultants, advisers and agents of PYI and its subsidiaries ("PYI Group")) by way of PYI's shares acquired by and held through an independent trustee until fulfilment of specified conditions before vesting.

None of the directors of the Company were awarded any of PYI's shares under this share award scheme during the year or at 31 March 2008.

iii) Share financing plan

This plan, which was adopted by PYI on 14 February 2006, allows eligible persons (including employees, directors, consultants, advisers and agents of the PYI Group) to borrow funds from PYI or from a company within the PYI Group to acquire new or old PYI's shares on a non-recourse basis with the subject shares pledged to PYI as security subject always to connected transaction and other relevant provisions under the Listing Rules.

None of the directors of the Company acquired any of PYI's shares under this share financing plan during the year or at 31 March 2008.

Save as disclosed herein, at no time during the year was the Company or any of its subsidiaries or holding company or any subsidiaries of the Company's holding company, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate, and none of the directors, chief executives or their spouse or children under the age of 18, had any right to subscribe for securities of the Company, or had exercised any such rights during the year.

購買股份或債券之安排(續)

(b) PYI (續)

ii) 股份獎勵計劃

根據PYI於二零零六年二月二十三日採納之股份獎勵計劃，PYI可向合資格人士(包括PYI及其附屬公司(「PYI集團」)之僱員、董事、顧問、諮詢人及代理人)以PYI之股份的形式派發花紅，此等股份將由一名獨立受託人購入及持有直至指定的歸屬條件達成為止。

年內或於二零零八年三月三十一日，概無本公司董事根據此股份獎勵計劃獲授任何PYI股份。

iii) 股份融資計劃

PYI於二零零六年二月十四日採納之計劃容許合資格人士(包括PYI集團之僱員、董事、顧問、諮詢人及代理人)向PYI或PYI集團內一間公司借款以無追索權基準購買PYI新舊股份，而此等股份則質押予PYI作為抵押品，惟須符合上市規則項下有關關連交易及其他相關條文之規定。

年內或於二零零八年三月三十一日，概無本公司董事根據此股份融資計劃購買任何PYI股份。

除本文所披露者外，本公司或其任何附屬公司或控股公司，或本公司的控股公司的附屬公司，於年內任何時間概無參與訂立任何安排，以令本公司董事可藉購入本公司或任何其他實體機構之股份或債務證券(包括債券)而獲利，且董事、主要行政人員或彼等之配偶及未滿十八歲之子女概無權認購本公司證券，亦無於年內行使任何該等權利。

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

None of the directors of the Company is interested in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with the businesses of the Group during the year or at 31 March 2008.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed under the section headed "Connected Transactions" below, no contracts of significance to which the Company or any of its holding companies or fellow subsidiaries or subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

CONTINUING CONNECTED TRANSACTIONS

On 1 March 2007, the Company and PYI entered into conditionally a business services agreement ("Business Services Agreement") for the period from 1 April 2007 to 31 March 2010 with the annual cap amounts of HK\$60 million, HK\$80 million and HK\$100 million for the financial years ended/ending 31 March 2008, 2009 and 2010 respectively. The entering into of the Business Services Agreement constituted a continuing connected transaction for the Company under Chapter 14A of the Listing Rules. Details of which were set the out in the circular of the Company dated 15 March 2007 (the "Circular").

During the year, the Group entered into the following transaction with a subsidiary of PYI, which constituted "continuing connected transactions" or "connected transactions" under the Listing Rules. Details of such transaction are as follows:

董事於構成競爭業務之權益

年內或於二零零八年三月三十一日，如不計本集團業務，本公司董事於與本集團業務直接或間接構成競爭或可能構成競爭之任何業務中，概無擁有任何權益。

董事於重大合約之權益

除下文「關連交易」一節披露者外，本公司各董事在本公司或其任何控股公司或同系附屬公司或附屬公司於本年度結算日或年內任何時間訂立之重要合約中概無直接或間接擁有重大權益。

持續關連交易

二零零七年三月一日，本公司與PYI於有條件訂立業務服務協議（「業務服務協議」），年期為二零零七年四月一日至二零一零年三月三十一日，截至二零零八年、二零零九年及二零一零年三月三十一日止財政年度之年度上限分別為60,000,000港元、80,000,000港元及100,000,000港元。訂立該業務服務協議構成上市規則第14A章項下本公司之持續關連交易。交易詳情載於本公司日期為二零零七年三月十五日之通函（「通函」）。

年內，本集團與PYI旗下一間附屬公司進行下列交易屬上市規則項下之「持續關連交易」或「關連交易」。有關交易之詳情如下：

Name of party 交易方名稱	Nature of transaction 交易性質	Amount 數額 HK\$'000 千港元
PYI Xingdong Properties (Jiangsu) Limited ("PYI Xingdong") 保華興東置業(江蘇)有限公司 (「保華興東」)	Project management fees charged by the Group 本集團收取項目管理費	1,689

CONTINUING CONNECTED TRANSACTIONS (continued)

PYI Xingdong is an associate, within the meaning of the Listing Rules, of PYI, a substantial shareholder of the Company. Mr Lau Ko Yuen, Tom, a director of the Company is also a director of PYI.

Pursuant to Rule 14A.38 of the Listing Rules, the board of directors of the Company engaged the auditor of the Company to perform certain agreed upon procedures in respect of the continuing connected transactions of the Group in accordance with the Hong Kong Standard on Related Services 4400 “Engagements to Perform Agreed-Upon Procedures Regarding Financial Information” issued by the Hong Kong Institute of Certified Public Accountants, to assist the independent non-executive directors of the Company to evaluate whether such transactions:

- (i) have received the approval of the board of directors of the Company;
- (ii) have been entered into in accordance with the pricing policies of the Group with reference to similar transactions with independent third parties;
- (iii) have been entered into in accordance with the terms of the relevant agreement governing such transactions; and
- (iv) have not exceeded the relevant cap amount for the year ended 31 March 2008 as set out in the Circular.

持續關連交易（續）

保華興東為上市規則所界定本公司主要股東PYI之聯營公司。本公司董事劉高原先生亦為PYI之董事。

按上市規則第14A.38條之規定，本公司董事局委聘本公司核數師就本集團之持續關連交易按照香港會計師公會頒佈之香港關連服務準則第4400號「受聘進行若干有關財務資料之協定程序」進行若干議定程序以協助本公司獨立非執行董事評估交易是否：

- (i) 已得到本公司董事局之批准；
- (ii) 已按本集團之定價政策進行並參考與獨立第三方之類似交易；
- (iii) 已按管限此等交易之相關協議條款進行；及
- (iv) 不超於列載於通函截至二零零八年三月三十一日止年度之相關上限。

CONTINUING CONNECTED TRANSACTIONS (continued)

The auditor of the Company have reported their factual findings on these procedures to the board of directors of the Company. The independent non-executive directors of the Company, have reviewed and confirmed that the continuing connected transactions as set out above have been entered into:

- (i) in the ordinary and usual course of the business of the Group;
- (ii) either on normal commercial terms or on terms no less favourable to the Company than terms available from independent third parties; and
- (iii) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company, as a whole.

CONNECTED TRANSACTIONS

On 9 June 2007, the Group had entered into an acquisition agreement with Starford Investors Limited ("Starford") to acquire the entire issued share capital of, and shareholder's loans to, PY Property Consultants Limited (formerly known as Fexon Property Consultants Limited), PY (Asia Pacific) Limited (formerly known as China Land (Asia Pacific) Limited) and PY Investments (Samoa) Limited (formerly known as Fexon Investments Limited) from Starford for a total consideration of HK\$2,700,000, subject to adjustments ("Acquisition"). Starford is wholly owned by Mr Lee Tsung Hei, David Chris ("Mr Lee") who would become a director of certain subsidiaries of the Company pursuant to an employment contract dated 9 June 2007 entered into between the Group and Mr Lee. Accordingly, the Acquisition constituted a connected transaction for the Company under Chapter 14A of the Listing Rules. Details of the Acquisition were set out in an announcement of the Company dated 12 June 2007.

持續關連交易 (續)

本公司核數師已將該等程序之調查結果向董事局報告。本公司全體獨立非執行董事已審閱上文載列之持續關連交易及核數師報告書並確認此等交易乃：

- (i) 於本集團日常及一般業務範圍內進行；
- (ii) 按正常商業條款，或不遜於本公司向獨立第三方提供或獲獨立第三方提供之條款進行；及
- (iii) 按規管有關交易之協議進行，其條款為公平合理，符合本公司股東之整體利益。

關連交易

二零零七年六月九日，本集團與Starford Investors Limited(「Starford」)訂立收購協議，旨在購入保華房產管理顧問有限公司(前稱豐信地產管理顧問有限公司)、保華(亞太)有限公司(前稱華南(亞太)有限公司)及PY Investments (Samoa) Limited (前稱豐信投資有限公司)之全部已發行股本及該等公司結欠之股東貸款，就此涉及之總代價為2,700,000港元(可予調整)(「收購事項」)。Starford由李頌熹先生(「李先生」)全資擁有。根據本公司一間附屬公司與李先生於二零零七年六月九日訂立之僱用合約，李先生將會成為本公司若干附屬公司之董事。因此，根據上市規則第14A章之規定，收購事項構成本公司之一項關連交易。交易詳情載於本公司日期為二零零七年六月十二日之公佈。

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS/OTHER PERSONS RECORDED IN THE REGISTER KEPT UNDER SECTION 336 OF THE SFO

At 31 March 2008, so far as is known to the directors and the chief executives of the Company, the interests and short positions of the substantial shareholders/other persons in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under Section 336 of the SFO were as follows:

根據證券及期貨條例第336條存置之登記冊所記錄之主要股東／其他人士之權益及淡倉

於二零零八年三月三十一日，就本公司董事及主要行政人員所知，根據證券及期貨條例第336條存置之本公司登記冊所記錄之主要股東／其他人士於本公司之股份及相關股份之權益或淡倉如下：

(1) Interests of substantial shareholders in the shares of the Company

(1) 主要股東於本公司股份之權益

Name of shareholder	Capacity	Long position	Number of shares of the Company held	Approximate percentage of shareholding of the Company
股東名稱	身份	好倉	所持本公司股份數目	佔本公司股權之概約百分比
PYI	Interest of controlled corporation (Note) 於受控制法團之權益(附註)	Long position 好倉	375,826,317	62.92%
PYI Treasury Group Limited ("PYIT")	Interest of controlled corporation (Note) 於受控制法團之權益(附註)	Long position 好倉	375,826,317	62.92%
Growing Success Limited ("Growing Success")	Interest of controlled corporation (Note) 於受控制法團之權益(附註)	Long position 好倉	375,826,317	62.92%
Paul Y. Investments Limited ("PYIL")	Beneficial owner (Note) 實益擁有人(附註)	Long position 好倉	375,826,317	62.92%
CIM Dividend Fund Limited	Investment manager 投資經理	Long position 好倉	61,347,869	10.27%

Note:

PYIL is a wholly-owned subsidiary of Growing Success which is in turn a wholly-owned subsidiary of PYIT. PYIT is a wholly-owned subsidiary of PYI. Growing Success, PYIT and PYI are deemed to be interested in the shares in the Company held by PYIL.

附註：

PYIL為Growing Success之全資附屬公司，而Growing Success則為PYIT之全資附屬公司。PYIT為PYI之全資附屬公司。Growing Success、PYIT及PYI被視為於PYIL持有之本公司股份中擁有權益。

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS/OTHER PERSONS RECORDED IN THE REGISTER KEPT UNDER SECTION 336 OF THE SFO (continued)

根據證券及期貨條例第336條存置之登記冊
所記錄之主要股東／其他人士之權益及淡倉
(續)

(2) Interests of other persons in shares and underlying shares of the Company

(2) 其他人士於本公司股份及相關股份之權益

Name of person	Capacity	Long position	Number of shares of the Company held	Number of underlying shares (unlisted equity derivatives) of the Company held	Total	Approximate percentage of shareholding of the Company
其他人士姓名／名稱	身份	好倉	所持本公司 股份數目	所持本公司 相關股份(非上市 股本衍生工具)數目	總額	佔本公司 股權 之概約百分比
Mr Daniel Saul Och	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	32,456,541	9,398,607	41,855,148	7.01%
Och-Ziff Capital Management Group LLC ("Och-Ziff Capital")	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	32,456,541	9,398,607	41,855,148	7.01%
OZ Management, L.P. ("OZ Management")	Investment manager (Note) 投資經理 (附註)	Long position 好倉	32,456,541	9,398,607	41,855,148	7.01%
OZ Master Fund, Ltd ("OZ Master")	Beneficial owner (Note) 實益擁有人 (附註)	Long position 好倉	31,649,245	6,814,849	38,464,094	6.44%
Platinum Global Dividend Fund Limited	Investment manager 投資經理	Long position 好倉	36,000,000	—	36,000,000	6.03%

Note: OZ Master was a fund managed by OZ Management. Och-Ziff Holding Corporation ("Och-Ziff Holding") was the sole general partner of OZ Management, and Och-Ziff Capital was in turn the sole shareholder of Och-Ziff Holding. Mr Daniel Saul Och controlled approximately 79.1% of the voting power at general meetings of Och-Ziff Capital. OZ Management, OZ Holding, Och-Ziff Capital and Mr Daniel Saul Och were deemed to be interested in the shares of the Company held by OZ Master and other funds under the SFO.

附註：OZ Master為OZ Management所管理之基金。Och-Ziff Holding Corporation (「Och-Ziff Holding」) 為OZ Management唯一一般合夥人，而Och-Ziff Capital則為Och-Ziff Holding之唯一股東。Daniel Saul Och先生於Och-Ziff Capital股東大會上控制約79.1%表決權。根據證券及期貨條例，OZ Management、OZ Holding、Och-Ziff Capital及Daniel Saul Och先生被視為於OZ Master及其他基金持有之本公司股份中擁有權益。

Save as disclosed above, at 31 March 2008, the Company has not been notified of any interests or short positions in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under Section 336 of the SFO.

除上文所披露者外，於二零零八年三月三十一日，根據證券及期貨條例第336條本公司須存置之登記冊所記錄，本公司概無獲知會有其他人士擁有本公司之股份及相關股份之權益或淡倉。

RETIREMENT BENEFIT SCHEMES

Information on the Group's retirement benefit schemes is set out in note 38 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

CORPORATE GOVERNANCE

The Company has complied with all code provision and, where applicable, the recommended best practices of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the year ended 31 March 2008.

The Corporate Governance Report is set out on pages 31 to 47 of this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, the Company has maintained sufficient public float throughout the year ended 31 March 2008 as required under the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

DONATIONS

During the year, the Group made charitable and other donations of approximately HK\$235,000.

AUDITOR

A resolution will be submitted to the annual general meeting to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

James Chiu, OBE, JP
Chairman
Hong Kong, 18 July 2008

退休福利計劃

本集團退休福利計劃之資料載列於綜合財務報表附註38。

優先購買權

本公司之公司細則或百慕達法例中並無股本優先購買權之條文，規定本公司須按持股比例向現有股東提呈發售新股。

企業管治

截至二零零八年三月三十一日止年度，本公司一直遵守上市規則附錄十四所載《企業管治常規守則》之所有守則條文及（如適用）推薦之最佳常規。

企業管治報告已載列於本年報第31頁至第47頁。

足夠公眾持股量

根據本公司所得之公開資料及就本公司董事所知，本公司於截至二零零八年三月三十一日止年度一直維持上市規則所訂明的最低公眾持股量。

購買、出售或贖回本公司上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司之上市證券。

捐款

本集團於本年度作出約235,000港元之慈善及其他捐款。

核數師

本公司將於股東週年大會上提呈一項決議案續聘德勤•關黃陳方會計師行為本公司之核數師。

承董事局命

趙雅各, OBE, JP
主席
香港，二零零八年七月十八日

Deloitte.

德勤

TO THE MEMBERS OF PAUL Y. ENGINEERING GROUP LIMITED
(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Paul Y. Engineering Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 68 to 153, which comprise the consolidated balance sheet as at 31 March 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

致保華建業集團有限公司全體股東
(在百慕達註冊成立之有限公司)

本核數師行已完成審核第68頁至第153頁所載保華建業集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零零八年三月三十一日之綜合資產負債表及截至該日止年度之綜合收益表、綜合權益變動表及綜合現金流動表，以及主要會計政策概要及其他解釋附註。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露要求編製及真實而公平地列報綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報綜合財務報表相關的內部監控，致使綜合財務報表不會存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇並應用適當的會計政策；以及因應情況作出合理的會計估計。

核數師之責任

本核數師行的責任是根據本核數師行審核工作的結果，對綜合財務報表提出意見，並按照百慕達公司法第90條的規定，僅向整體股東報告。除此以外，本核數師行的報告書不可用作其他用途。本核數師行概不就本報告書的內容，對任何其他人士負責或承擔法律責任。本核數師行已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求本核數師行遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong, 18 July 2008

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師會考慮與該公司編製及真實而公平地列報綜合財務報表相關的內部監控，以便設計適當的審核程序，但此並非為對公司的內部監控的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

本核數師行相信，本核數師行所獲得的審核憑證能充足和適當地為下列審核意見建立基礎。

意見

本行認為上述之綜合財務報表均有按照香港財務報告準則真實與公平地反映貴集團於二零零八年三月三十一日之財政狀況及貴集團截至該日止年度之溢利及現金流量，並已按照香港公司條例之披露要求而妥善編製。

德勤 • 關黃陳方會計師行
執業會計師
香港，二零零八年七月十八日

Consolidated Income Statement

綜合收益表

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

		Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Turnover	營業額	7	4,913,022	4,359,329
Cost of sales	銷售成本		(4,679,141)	(4,192,824)
Gross profit	毛利		233,881	166,505
Other income	其他收入	9	39,377	33,740
Administrative expenses	行政費用		(166,759)	(156,546)
Finance costs	融資成本	10	(9,405)	(7,454)
Gain on disposal of an associate	出售一間聯營公司之收益		3,459	–
Share of results of associates	攤佔聯營公司業績		29,118	73,832
Share of results of jointly controlled entities	攤佔共同控制機構業績		59	(642)
Profit before taxation	除稅前溢利		129,730	109,435
Taxation	稅項	12	(9,747)	(8,401)
Profit for the year	年度溢利	13	119,983	101,034
Attributable to:	以下人士應佔：			
Equity holders of the Company	本公司之權益持有人		119,479	112,621
Minority interests	少數股東權益		504	(11,587)
			119,983	101,034
Dividends	股息	14	53,381	49,493
Earnings per share	每股盈利	15		
Basic	基本		HK\$0.202港元	HK\$0.193港元
Diluted	攤薄		HK\$0.200港元	HK\$0.193港元

Consolidated Balance Sheet

綜合資產負債表

At 31 March 2008 於二零零八年三月三十一日

		Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、機械及設備	16	33,061	35,190
Prepaid land lease payments	預付土地租賃款項	17	21,986	22,561
Goodwill	商譽	18	63,969	61,646
Other intangible assets	其他無形資產	19	7,240	7,240
Interests in associates	聯營公司權益	20	70,406	108,955
Interests in jointly controlled entities	共同控制 機構權益	21	1,987	1,928
Available-for-sale investments	可供出售之投資	22	343	732
Deferred consideration receivable	應收遞延代價	23	2,863	6,597
			201,855	244,849
CURRENT ASSETS	流動資產			
Prepaid land lease payments	預付土地租賃款項	17	575	575
Amounts due from customers for contract works	應收客戶合約 工程款項	24	201,589	223,637
Debtors, deposits and prepayments	應收賬款、訂金及 預付款項	25	1,703,091	1,631,065
Amounts due from related companies	應收關連公司 款項	26	1	432
Amounts due from associates	應收聯營公司款項	27	43,762	48,630
Amount due from a jointly controlled entity	應收一間共同控制 機構款項	27	4	10
Amounts due from fellow subsidiaries	應收同系附屬公司 款項	27	9,135	8,967
Loan receivable	應收貸款	28	—	1,508
Loan to a related company	貸予一間關連公司之貸款	29	—	779
Taxation recoverable	可退回稅款		3,261	2,942
Pledged bank deposits	已抵押銀行存款	30	34,269	42,601
Short term bank deposits	短期銀行存款	30	377,045	311,606
Bank balances and cash	銀行結餘及現金	30	58,168	43,770
			2,430,900	2,316,522

Consolidated Balance Sheet

綜合資產負債表

At 31 March 2008 於二零零八年三月三十一日

		Notes 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
CURRENT LIABILITIES	流動負債			
Amounts due to customers for contract works	應付客戶合約工程款項	24	804,442	1,038,548
Creditors and accrued expenses	應付賬款及應計開支	31	1,059,334	825,326
Amounts due to related companies	應付關連公司款項	26	33	2,906
Amounts due to associates	應付聯營公司款項	27	609	1,401
Amounts due to minority shareholders	應付少數股東款項	27	1,041	1,041
Amounts due to fellow subsidiaries	應付同系附屬公司款項	27	10,515	–
Taxation payable	應付稅項		15,173	11,308
Bank borrowings – due within one year	一年內到期之銀行借款	32	197,715	174,407
			2,088,862	2,054,937
NET CURRENT ASSETS	流動資產淨值		342,038	261,585
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		543,893	506,434
NON-CURRENT LIABILITY	非流動負債			
Bank borrowings – due after one year	一年後到期之銀行借款	32	5,947	51,498
			537,946	454,936
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	34	298,649	294,800
Reserves	儲備		225,114	147,316
Equity attributable to equity holders of the Company	本公司之權益持有人應佔權益		523,763	442,116
Minority interests	少數股東權益		14,183	12,820
TOTAL EQUITY	總權益		537,946	454,936

The financial statements on pages 68 to 153 were approved and authorised for issue by the Board of Directors on 18 July 2008 and are signed on its behalf by:

載於第68頁至第153頁之財務報表已於二零零八年七月十八日獲董事局核准及授權刊發，並由下列董事代表董事局簽署：

Mok Yat Fan, Edmond
莫一帆
Executive Director & Chief Executive Officer
執行董事兼行政總裁

Cheung Lee Ming, Andy
張利民
Executive Director & Chief Financial Officer
執行董事兼財務總裁

Consolidated Statement of Changes In Equity

綜合權益變動表

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

		Attributable to equity holders of the Company									
		本公司權益持有人應佔									
		Share capital	Share premium	Special reserve	Investment revaluation reserve	Share options reserve	Translation reserve	Accumulated (losses) profits	Sub-total	Minority interests	Total
		股本	股份溢價	特別儲備	重估儲備	購股權儲備	匯兌儲備	(虧損) 溢利	小計	股東權益	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2006	於二零零六年四月一日	290,979	275,805	(153,767)	675	137	(943)	(42,986)	369,900	10,344	380,244
Exchange difference arising from translation of foreign operations	換算外國業務產生之匯兌差額	-	-	-	-	-	1,360	-	1,360	-	1,360
Decrease in fair value of available-for-sale investments	可供出售投資公平值減少	-	-	-	(332)	-	-	-	(332)	-	(332)
Net (expense) income recognised directly in equity	直接於權益確認之(開支)收入淨額	-	-	-	(332)	-	1,360	-	1,028	-	1,028
Profit for the year	年度溢利	-	-	-	-	-	-	112,621	112,621	(11,587)	101,034
Total recognised (expense) income for the year	年度確認(開支)收入總額	-	-	-	(332)	-	1,360	112,621	113,649	(11,587)	102,062
Recognition of equity-settled share-based payment expenses	確認以股份為基礎付款之開支	-	-	-	-	1,088	-	-	1,088	-	1,088
Issue of shares under scrip dividend scheme	根據以股代息計劃發行股份	3,071	(3,071)	-	-	-	-	-	-	-	-
Issue of shares upon exercise of share options	因行使購股權而發行股份	750	994	-	-	(244)	-	-	1,500	-	1,500
Credit arising on scrip dividends	以股代息產生之進賬	-	-	-	-	-	-	5,472	5,472	-	5,472
Dividends paid	已付股息	-	-	-	-	-	-	(49,493)	(49,493)	-	(49,493)
Contribution from minority shareholders	少數股東出資	-	-	-	-	-	-	-	-	14,063	14,063
At 31 March 2007	於二零零七年三月三十一日	294,800	273,728	(153,767)	343	981	417	25,614	442,116	12,820	454,936

Consolidated Statement of Changes In Equity

綜合權益變動表

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔									
		Share capital	Share premium	Special reserve	Investment revaluation reserve	Share options reserve	Translation reserve	Accumulated (losses) profits	Sub-total	Minority interests	Total
		股本	股份溢價	特別儲備	重估儲備	購股權儲備	匯兌儲備	(虧損) 溢利	小計	股東權益	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Exchange difference arising from translation of foreign operations	換算外國業務產生之匯兌差額	-	-	-	-	-	1,313	-	1,313	-	1,313
Decrease in fair value of available-for-sale investments	可供出售投資公平值減少	-	-	-	(389)	-	-	-	(389)	-	(389)
Share of translation reserve of an associate	攤估一間聯營公司匯兌儲備	-	-	-	-	-	336	-	336	-	336
Net (expense) income recognised directly in equity	直接於權益確認之(開支)收入淨額	-	-	-	(389)	-	1,649	-	1,260	-	1,260
Profit for the year	年度溢利	-	-	-	-	-	-	119,479	119,479	504	119,983
Reserve released upon disposal of an associate	確認出售一間聯營公司相關之儲備	-	-	-	-	-	1,023	-	1,023	-	1,023
Total recognised (expense) income for the year	年度確認(開支)收入總額	-	-	-	(389)	-	2,672	119,479	121,762	504	122,266
Recognition of equity-settled share-based payment expenses	確認以股份為基礎付款之開支	-	-	-	-	4,697	-	-	4,697	-	4,697
Issue of shares under scrip dividend scheme	根據以股代息計劃發行股份	2,206	(2,206)	-	-	-	-	-	-	-	-
Issue of shares upon exercise of share options	因行使購股權而發行股份	1,643	1,591	-	-	(398)	-	-	2,836	-	2,836
Credit arising on scrip dividends	以股代息產生之進賬	-	-	-	-	-	-	5,733	5,733	-	5,733
Dividends paid	已付股息	-	-	-	-	-	-	(53,381)	(53,381)	-	(53,381)
Dividends paid to minority shareholders	已付予少數股東股息	-	-	-	-	-	-	-	-	(2,563)	(2,563)
Contribution from minority shareholders	少數股東出資	-	-	-	-	-	-	-	-	3,422	3,422
At 31 March 2008	於二零零八年三月三十一日	298,649	273,113	(153,767)	(46)	5,280	3,089	97,445	523,763	14,183	537,946

Consolidated Statement of Changes In Equity

綜合權益變動表

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

The special reserve of the Group includes the following:

- (a) a credit amount of HK\$1,000,000 representing the difference between the cost of acquisition of two subsidiaries and the nominal amount of their share capital at the date on which they were acquired by Paul Y. Management Contracting Group Limited ("Paul Y. Management Contracting", formerly known as Paul Y. Engineering Holdings (B.V.I.) Limited) before the reverse acquisition as mentioned in note (b) below; and
- (b) a debit amount of HK\$154,767,000 representing the reserve arising from the reverse acquisition of Paul Y. Management Contracting and its subsidiaries (collectively referred to as "Paul Y. Management Contracting Group"), net of refund from ex-shareholder of Paul Y. Management Contracting for the shortfall in net asset value of Paul Y. Management Contracting Group upon completion of the acquisition by the Company from PYI Corporation Limited, the ultimate holding company, of the entire equity interest in, and shareholders' loan to Paul Y. Management Contracting Group in January 2005.

本集團之特別儲備包括以下項目：

- (a) 一筆為數1,000,000港元之進賬，即收購兩間附屬公司之成本與有關附屬公司於下文附註(b)所述反收購前被Paul Y. Management Contracting Group Limited (「Paul Y. Management Contracting」，前稱「Paul Y. Engineering Holdings (B.V.I.) Limited」)收購當日之股本面值之間的差額；及
- (b) 一筆為數154,767,000港元之借記款，即反收購Paul Y. Management Contracting及其附屬公司(統稱「Paul Y. Management Contracting Group」)產生之儲備，並扣除Paul Y. Management Contracting前股東因本公司於二零零五年一月完成向最終控股公司保華集團有限公司收購Paul Y. Management Contracting Group全部股本權益及股東貸款時Paul Y. Management Contracting Group之資產淨值不足而支付之退款。

Consolidated Cash Flow Statement

綜合現金流動表

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前溢利	129,730	109,435
Adjustments for:	就下列項目進行調整：		
Finance costs	融資成本	9,405	7,454
Share of results of associates	攤佔聯營公司業績	(29,118)	(73,832)
Share of results of jointly controlled entities	攤佔共同控制機構業績	(59)	642
Gain on disposal of an associate	出售一間聯營公司之收益	(3,459)	—
Release of prepaid land lease payments	轉撥預付土地租賃款項	575	575
Depreciation of property, plant and equipment	物業、機械及設備之折舊	8,670	7,029
Impairment loss recognised for trade and other debtors	已確認貿易及其他應收賬項之減值虧損	234	427
Share-based payment expenses	以股份為基礎付款之開支	4,697	1,088
Interest income	利息收入	(39,377)	(33,740)
Loss on disposal of property, plant and equipment	出售物業、機械及設備之虧損	49	982
Operating cash flows before movements in working capital	未計營運資金變動前之經營業務現金流量	81,347	20,060
Change in amounts due from (to) customers for contract works, net of attributable interest expenses and depreciation	應收(付)客戶合約工程款項變動，並扣除應計利息開支及折舊	(209,435)	553,473
Increase in debtors, deposits and prepayments	應收賬款、訂金及預付款項增加	(18,853)	(436,632)
Decrease in amounts due from related companies	應收關連公司款項減少	431	1,639
Increase in amounts due from associates	應收聯營公司款項增加	(19)	(3,347)
Decrease in amount due from a jointly controlled entity	應收一間共同控制機構款項減少	6	7
Increase in amounts due from fellow subsidiaries	應收同系附屬公司款項增加	(168)	(8,733)
Increase in creditors and accrued expenses	應付賬款及應計開支增加	212,511	16,469
(Decrease) increase in amounts due to related companies	應付關連公司款項(減少)增加	(2,873)	2,906
Decrease in amounts due to associates	應付聯營公司款項減少	(792)	(97)
Increase in amounts due to minority shareholders	應付少數股東款項增加	—	1,041
Decrease in amounts due to fellow subsidiaries	應付同系附屬公司款項減少	(572)	(18,914)
Cash generated from operations	來自經營業務之現金	61,583	127,872
Hong Kong Profits Tax refunded	已退回香港利得稅	21	—
Hong Kong Profits Tax paid	已付香港利得稅	(593)	(3,296)
Overseas tax paid	已付海外稅項	(5,822)	(892)
NET CASH FROM OPERATING ACTIVITIES	來自經營業務之現金淨額	55,189	123,684

Consolidated Cash Flow Statement

綜合現金流動表

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

	Note 附註	2008 HK\$'000 千港元	2007 HK\$'000 千港元
INVESTING ACTIVITIES	投資業務		
Dividend received from associates	已收聯營公司股息	88,250	4,789
Interest received	已收利息	9,805	11,145
Proceeds from disposal of an associate	出售一間聯營公司所得款項	8,860	—
Decrease in pledged bank deposits	已抵押銀行存款減少	8,332	33,521
Proceeds from disposal of property, plant and equipment	出售物業、機械及設備所得款項	44	1,077
Additions to property, plant and equipment	物業、機械及設備增加	(8,500)	(22,893)
Acquisition of interest in an associate	收購一間聯營公司之權益	(4,756)	(161)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	收購附屬公司（扣除所收購之現金及與現金等值項目）	(1,792)	—
Decrease in deferred consideration receivable	應收遞延代價減少	—	4,000
Proceeds from disposal of other intangible assets	出售其他無形資產所得款項	—	115
NET CASH FROM INVESTING ACTIVITIES	來自投資業務之現金淨額	100,243	31,593
FINANCING ACTIVITIES	融資活動		
Repayment of bank loans	償還銀行貸款	(138,293)	(297,563)
Dividends paid	已付股息	(47,648)	(44,021)
Interest paid	已付利息	(9,820)	(10,761)
Dividends paid to minority shareholders	已付予少數股東股息	(2,563)	—
Bank loans raised	新造銀行貸款	136,482	210,732
Contribution from minority shareholders	少數股東出資	3,422	14,063
Proceeds from issue of shares	發行股份所得款項	2,836	1,500
NET CASH USED IN FINANCING ACTIVITIES	用於融資活動之現金淨額	(55,584)	(126,050)
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及與現金等值項目增加淨額	99,848	29,227
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	421	1,028
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	現金及與現金等值項目承前	334,944	304,689
CASH AND CASH EQUIVALENTS CARRIED FORWARD	現金及與現金等值項目結轉	435,213	334,944
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及與現金等值項目結餘分析		
Short term bank deposits	短期銀行存款	377,045	311,606
Bank balances and cash	銀行結餘及現金	58,168	43,770
Bank overdrafts	銀行透支	—	(20,432)
		435,213	334,944

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

1. GENERAL

The Company is an exempted company incorporated in Bermuda with limited liability. Its shares are listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). Its immediate holding company is Paul Y. Investments Limited, a company incorporated in Hong Kong and its ultimate holding company is PYI Corporation Limited ("PYI"), a company incorporated in Bermuda with its shares listed on the Hong Kong Stock Exchange. The addresses of the registered office and principal place of business of the Company are disclosed in the "Corporation Information" section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

The Company is an investment holding company. The activities of its principal subsidiaries, associates and jointly controlled entity are set out in note 43.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied, for the first time, the following new standard, amendment and interpretations (hereinafter collectively referred to as "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") which are effective for the Group's financial year beginning on or after 1 April 2007.

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) – Int 8	Scope of HKFRS 2
HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment
HK(IFRIC) – Int 11	HKFRS 2 – Group and Treasury Share Transactions

1. 一般資料

本公司乃一家於百慕達註冊成立之受豁免有限公司，股份於香港聯合交易所有限公司（「香港聯交所」）上市。其直接控股公司為Paul Y. Investments Limited（於香港註冊成立之公司），而其最終控股公司為保華集團有限公司（「PYI」，於百慕達註冊成立之公司），其股份於香港聯交所上市。本公司之註冊辦事處及主要營業地點之地址於年報「公司資料」一節中披露。

綜合財務報表以港元呈列，港元亦為本公司之功能貨幣。

本公司為一家投資控股公司，其主要附屬公司、聯營公司及共同控制機構之業務載於附註43。

2. 應用新訂及經修改之香港財務報告準則（「香港財務報告準則」）

於本年度，本集團首次應用以下由香港會計師公會頒佈並對本集團於二零零七年四月一日或以後開始之財政年度生效之新訂準則、修訂及詮釋（統稱「新訂香港財務報告準則」）。

香港會計準則第1號（修訂）	資本披露
香港財務報告準則第7號	金融工具：披露
香港（國際詮釋委員會） — 詮釋第8號	香港財務報告準則 第2號之範疇
香港（國際詮釋委員會） — 詮釋第9號	重新評估嵌入式衍生工具
香港（國際詮釋委員會） — 詮釋第10號	中期財務報告及減值
香港（國際詮釋委員會） — 詮釋第11號	香港財務報告準則 第2號—集團及 財資股份交易

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior year under the requirement of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

Except for the changes in disclosures as set out above, the adoption of those new HKFRSs has no material impact on the Group's results and financial position for the current or prior years, and does not result in any significant changes in the accounting policies of the Group.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ²
HKAS 32&1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ¹
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combinations ²
HKFRS 8	Operating Segments ¹
HK(IFRIC) – Int 12	Service Concession Arrangements ³
HK(IFRIC) – Int 13	Customer Loyalty Programmes ⁴
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction ³

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 July 2009

³ Effective for annual periods beginning on or after 1 January 2008

⁴ Effective for annual periods beginning on or after 1 July 2008

2. 應用新訂及經修改之香港財務報告準則（「香港財務報告準則」）（續）

本集團已追溯應用香港會計準則第1號（修訂）及香港財務報告準則第7號之披露規定。往年按香港會計準則第32號之規定呈列之若干資料已予刪除，而按香港會計準則第1號（修訂）及香港財務報告準則第7號編製之相關比較資料已於本年度首次呈列。

除上文所載披露方面之變動外，採納新訂香港財務報告準則並無對本集團現行及以往年度之業績及財務狀況造成重大影響，亦無導致本集團之會計政策出現任何重大變動。

本集團並未提早應用下列已頒佈惟尚未生效之新訂及經修改準則、修訂及詮釋。

香港會計準則第1號（經修改）	財務報表之呈列 ¹
香港會計準則第23號（經修改）	借貸成本 ¹
香港會計準則第27號（經修改）	綜合及個別財務報表 ²
香港會計準則第32及1號（修訂）	可回售金融票據及清盤引起之責任 ¹
香港財務報告準則第2號（修訂）	歸屬條件及註銷 ¹
香港財務報告準則第3號（經修改）	業務合併 ²
香港財務報告準則第8號	經營分部 ¹
香港（國際詮釋委員會）— 詮釋第12號	服務特許安排 ³
香港（國際詮釋委員會）— 詮釋第13號	客戶忠誠計劃 ⁴
香港（國際詮釋委員會）— 詮釋第14號	香港會計準則第19號— 界定福利資產之限制、最低資金需求及兩者之互動關係 ³

¹ 由二零零九年一月一日或以後開始之全年期間生效

² 由二零零九年七月一日或以後開始之全年期間生效

³ 由二零零八年一月一日或以後開始之全年期間生效

⁴ 由二零零八年七月一日或以後開始之全年期間生效

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

The directors of the Company anticipate that the application of the other new or revised standards, amendments or interpretations will have no material impact on the results and financial position of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values, and in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefit from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

2. 應用新訂及經修改之香港財務報告準則（「香港財務報告準則」）（續）

採納香港財務報告準則第3號（經修改）或會影響到收購日期在由二零零九年七月一日或以後開始之首個年報期間或以後之業務合併之會計處理法。香港會計準則第27號（經修改）將影響到母公司於一附屬公司之所有權益變動（惟不導致喪失控制權）時之會計處理法，即將以股權交易方式入賬。

本公司董事估計，應用該等新訂或經修改準則、修訂及詮釋，不會對本集團之業績及財務狀況造成重大影響。

3. 主要會計政策

除若干金融工具是按公平值估量外，綜合財務報表乃根據歷史成本法及按照香港會計師公會頒佈之香港財務報告準則編製。另外，綜合財務報表內已包括香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例所規定之適用披露。

綜合基準

綜合財務報表包括本公司及其控制機構（即附屬公司）之財務報表。本公司具權力影響該機構之財務及經營政策，藉以從其活動中獲利，即視作取得其控制權。

年內收購或出售附屬公司之業績乃由實際收購日期起或至實際出售日期止（視情況而定）計入綜合收益表中。

有需要時，附屬公司之財務報表將予調整，以使其會計政策與本集團其他成員公司一致。

所有集團內公司間之交易、結餘、收益及開支在綜合財務報表時均予以對銷。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Business combinations

The acquisition of business is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 "Business Combinations" are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations", which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

3. 主要會計政策(續)

綜合基準(續)

少數股東權益於附屬公司之淨資產與本集團之股本權益分開呈列。少數股東權益包括業務合併當日應佔金額及自合併後少數股東應佔權益之變動。倘少數股東所佔之虧損超越少數股東於附屬公司應佔之股本權益，除非該少數股東須受約束性責任及有能力支付額外資金以彌補附屬公司之虧損，否則該虧損餘額應由本集團承擔。

業務合併

收購業務時採用購買會計法入賬。收購成本按交換當日所給予之資產、所產生和承擔之負債，以及本集團為控制被收購公司而已發行股本工具之公平值，另加業務合併直接應佔之任何成本計量。被收購公司之可辨別資產、負債及或然負債如符合香港財務報告準則第3號「業務合併」之確認條件，均以收購日之公平值予以確認，惟按照香港財務報告準則第5號「持作出售非流動資產及已終止經營業務」列作持作出售者則按公平值減出售成本確認及計量。

因收購而產生之商譽確認為資產，初步按成本(即業務合併成本超逾本集團所佔之已確認之可識別資產、負債及或然負債之公平淨值之權益)計量。倘於重新評估後，本集團於被收購方之可識別資產、負債及或然負債之公平淨值之權益高於業務合併成本，多出部分乃即時於盈利或虧損內確認。

少數股東於被收購方之權益乃初步按少數股東於已確認可識別資產、負債及或然負債之公平淨值所佔比例計量。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment over their estimated useful lives and after taking into account of their estimated residual value, using the straight line method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the consolidated income statement in the year in which the item is derecognised.

Prepaid land lease payments

The up-front payments to acquire leasehold interest in land are accounted for as operating leases and are stated initially at cost and amortised over the lease term on a straight line basis.

Goodwill

Goodwill arising on acquisitions prior to 1 January 2005
Goodwill arising on an acquisition of a subsidiary for which the agreement date is before 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant acquiree at the date of acquisition. For previously capitalised goodwill arising on acquisitions of a subsidiary after 1 January 2001, the Group has discontinued amortisation from 1 April 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash-generating unit to which the goodwill relates may be impaired.

Goodwill arising on acquisitions on or after 1 January 2005

Goodwill arising on an acquisition of a business for which the agreement date is on or after 1 January 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant business at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

3. 主要會計政策(續)

物業、機械及設備

物業、機械及設備按成本減累計折舊及累計減值虧損列賬。

物業、機械及設備按其估計可使用年期並考慮到其估計剩餘價值後以直線法折舊以撇銷其成本。

物業、機械及設備於出售或預期繼續使用該資產時並無未來經濟利益時終止確認。因終止確認資產而產生的盈虧(按該項目之出售所得款項淨額與其賬面值之差額計算)於終止確認該項目當年之綜合收益表內確認。

預付土地租賃款項

購置租賃土地權益之預付款項乃列為經營租賃，初步以成本入賬及按直線法於租賃期內攤銷。

商譽

於二零零五年一月一日前進行之收購產生之商譽收購附屬公司(協議日期為於二零零五年一月一日前)而產生之商譽乃指收購成本超出本集團佔收購日期有關被收購方可辨認資產及負債公平值之差額。就二零零一年一月一日後收購一附屬公司而產生之過往已資本化之商譽，本集團由二零零五年四月一日起停止攤銷該商譽，改為每年對商譽進行一次減值測試，並在有跡象顯示與商譽有關之產生現金單位出現減值時隨時進行減值評估。

於二零零五年一月一日或之後進行之收購產生之商譽

收購業務(協議日期為於二零零五年一月一日或之後)而產生之商譽乃指收購成本超出本集團佔收購日期有關業務可辨認資產及負債公平值之差額。該商譽按成本減任何累計減值虧損列賬。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Goodwill (continued)

Goodwill arising on acquisitions on or after 1 January 2005 (continued)

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the consolidated balance sheet.

On subsequent disposal of the relevant cash generating unit, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

Interests in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture.

The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associates, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

3. 主要會計政策(續)

商譽(續)

於二零零五年一月一日或之後進行之收購產生之商譽(續)

就減值測試而言，收購所產生之商譽乃被分配到各有關產生現金單位，或產生現金單位之組別，預期彼等從收購之協同效應中受益。已獲分配商譽之產生現金單位每年及凡單位有可能出現減值之跡象時進行減值測試。就於某個財政年度之收購所產生之商譽而言，已獲分配商譽之產生現金單位於該財政年度完結前進行減值測試。當產生現金單位之可收回金額少於該單位之賬面值，則減值虧損須予分配，削減首先分配到該單位，及其後以單位各資產之賬面值為基準按比例分配到該單位之其他資產之任何商譽之賬面值。商譽之任何減值虧損乃直接於綜合收益表內確認。商譽之減值虧損於其後期間不予撥回。

已撥充資本之收購附屬公司產生之商譽另行於綜合資產負債表呈列。

其後出售相關產生現金單位，則被資本化之商譽之應佔金額於出售時計入釐定損益之金額。

聯營公司權益

聯營公司指投資者對其具有重大影響力之機構，而此機構既非附屬公司亦非合營企業權益。

聯營公司之業績及資產及負債均採用權益會計法計入綜合財務報表。根據權益法，於聯營公司投資乃按成本值於綜合資產負債表列賬，並就本集團應佔聯營公司資產淨值(扣除任何已識別之減值虧損)之收購後變動作出調整。如本集團之應佔聯營公司虧損相等於或超過其於聯營公司之權益(包括實質上構成本集團於聯營公司淨投資之任何長期權益)，則本集團終止確認其應佔之進一步虧損。如本集團已產生法定或推定責任或代表聯營公司支付款項，則就額外應佔虧損作出撥備及確認負債。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Interests in associates (continued)

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

Interests in jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

The results and assets and liabilities of jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting. Under the equity method, investments in jointly controlled entities are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the jointly controlled entities, less any identified impairment loss. When the Group's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity (which includes any long-term interest that, in substance, form part of the Group's net investment in the jointly controlled entity), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

When a group entity transacts with a jointly controlled entity of the Group, profits or losses are eliminated to the extent of the Group's interest in the relevant jointly controlled entity.

Other intangible assets

On initial recognition, intangible assets acquired separately, other than from business combinations, are recognised at cost less any accumulated impairment losses. After initial recognition, other intangible assets with indefinite useful lives are carried at cost less any accumulated impairment loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated income statement when the asset is derecognised.

3. 主要會計政策(續)

聯營公司權益(續)

如集團實體與本集團之聯營公司進行交易，則損益將以本集團於相關聯營公司之權益為限進行對銷。

共同控制機構權益

共同控制機構指以合資安排另行成立之獨立機構，其合資方共同監控該機構之經濟活動者。

共同控制機構之業績及資產及負債均採用權益會計法計入綜合財務報表。根據權益法，於共同控制機構投資乃按成本值於綜合資產負債表列賬，並就本集團應佔共同控制機構資產淨值(扣除任何已識別之減值虧損)之收購後變動作出調整。如本集團之應佔共同控制機構虧損相等於或超過其於共同控制機構之權益(包括實質上構成本集團於共同控制機構淨投資之任何長期權益)，則本集團終止確認其應佔之進一步虧損。如本集團已產生法定或推定責任或代表共同控制機構支付款項，則就額外應佔虧損作出撥備及確認負債。

集團實體與本集團之共同控制機構進行交易時，損益按本集團於共同控制機構之權益為限進行對銷。

其他無形資產

於首次確認時，無形資產乃獨立購入(不包括業務合併)時按成本減任何累計減值虧損確認。於首次確認後，具無年限可使用年期之其他無形資產按成本減任何累計減值虧損列賬。

終止確認無形資產所產生盈虧，按出售所得款項淨額與資產賬面值之差額計算，並於終止確認該資產時在綜合收益表中確認。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment losses on tangible and other intangible assets other than goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible and other intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. In addition, other intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date. Variations in contract work and claims are included to the extent that they have been agreed with customer.

When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as expenses in the period in which they are incurred. Variations in contract work and claims are included to the extent that they have been agreed with the customer. Provision is made for foreseeable losses as soon as they are anticipated by management.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

3. 主要會計政策(續)

有形及其他無形資產(不包括商譽)之減值虧損

於每一結算日，本集團審閱其有形及其他無形資產之賬面值，以便確定是否有任何跡象顯示該等資產蒙受減值虧損。此外，每年對無定限使用年限的其他無形資產進行一次減值測試，並在有跡象顯示出現減值時隨時進行減值評估。倘一項資產之可收回款額估計少於其賬面值，則該項資產之賬面值將撇減至其可收回款額。減值虧損即時確認為開支。

倘減值虧損隨後撥回，則該項資產之賬面值將增加至可收回款額之經修訂估計數額，惟增加後之賬面值不得超過倘於過往年度並無確認減值虧損所計算之賬面值。撥回之減值虧損即時確認為收入。

工程合約

倘工程合約之結果可確實地予以估計，則工程收益及費用參考合約於結算日之完成階段確認。合約工程及申索之估值計至彼等與客戶協定之數額。

倘工程合約之結果不可確實地予以估計，則工程費用在產生之期間確認為開支。合約工程及申索之估值計至彼等與客戶協定之數額。倘管理層估計有可預見虧損，則會為此提撥準備。

倘合約費用總額很可能超出合約收益總額，則預期虧損即時確認為開支。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Construction contracts (continued)

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the excess is shown as amount due from a customer for contract work. Where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the excess is shown as amount due to a customer for contract work. Amounts received before the related work is performed are included in the consolidated balance sheet, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated balance sheet under debtors, deposits and prepayments.

Revenue recognition

Revenue from construction contracts is recognised on the percentage of completion method, measured by reference to the value of work certified during the year.

Project management service income and facilities management service income are recognised when services are provided.

Dividend income from investments is recognised when the Group's right to receive the relevant payment has been established.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3. 主要會計政策(續)

工程合約(續)

倘現時之工程費用加經確認溢利減經確認虧損超出進度付款，則盈餘以應收客戶合約工程款項呈示。倘進度付款超出現時之工程費用加經確認溢利減經確認虧損，則盈餘以應付客戶合約工程款項呈示。於進行相關工程前收取之款項納入綜合資產負債表，作為一項負債計為已收墊款。就已進行工程應收而客戶未支付之款項則納入綜合資產負債表應收賬款、按金及預付款項項下。

收入確認

來自工程合約之收入乃按竣工百分比方法，並參考年內已核實工程價值確認。

項目管理服務收入及設施管理服務收入於提供服務時確認。

投資之股息收入於本集團收取相關股息之權利確立時確認。

利息收入按時間比例以尚未償還之本金額及適用之實際利率入賬。實際利率為於金融資產預期可使用年期內實際上將估計未來現金收益貼現至該項資產之淨賬面值之比率。

借貸成本

與符合條件資產(需一段頗長時間方可提供作擬定用途或銷售之資產)之收購、建築或生產直接有關之借貸成本，乃撥作該等資產之部份成本。於資產大致上可供作擬定用途或銷售後，該等借貸成本便不再撥作資本。特定借貸於撥作符合條件資產之支出前用作短暫投資所賺取之投資收入，會自撥作資本之借貸成本中扣除。

其他一切借貸成本在產生之期間內於損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense or capitalised in contracts in progress, where appropriate, when employees have rendered service entitling them to the contributions.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Rentals payable under operating leases are charged to profit or loss on a straight line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight line basis.

Taxation

Taxation represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. 主要會計政策(續)

退休福利成本

定額供款退休福利計劃之款額於僱員提供合資格獲取該供款之服務時列作開支或於適當時撥充在建合約工程資本。

租約

倘租約條款將擁有權之絕大部份風險及收益轉讓予承租人，則租約被分類為融資租約。所有其他租約被分類為經營租約。

本集團作為承租人

根據經營租約應付租金於有關租約年期按直線基準在收益表扣除。訂立經營租約時已收及應收作為獎勵之利益，於租約年期按直線基準扣減租金開支。

稅項

稅項指現時應付稅項及遞延稅項。

現時應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合收益表中所報溢利淨額不同，乃由於前者不包括在其他年度應課稅收入或可扣稅開支項目，並且不包括從來不需課稅或不獲扣稅之項目。本集團之本期稅項負債乃按於結算日前已頒佈或實質頒佈之稅率計算。

遞延稅項乃按綜合財務報表中之資產及負債賬面值及計算應課稅溢利相應稅基之差額確認，並以資產負債表負債法處理。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時差額扣稅之應課稅溢利時提撥。若於一項交易中，因商譽或因業務合併以外原因開始確認其他資產及負債而引致之臨時差額既不影響應課稅溢利，亦不影響會計溢利，則不會確認該等資產及負債。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of the transactions are used. Exchange differences arising, if any, are classified as a separate component of equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

3. 主要會計政策(續)

稅項(續)

遞延稅項資產之賬面值乃於各結算日審閱並調減，幅度以不再可能有足夠應課稅溢利備抵全部或部分將收回資產。

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項於綜合收益表中扣除或計入綜合收益表。惟倘遞延稅項與直接在股本權益中扣除或計入股本權益之項目有關，則遞延稅項亦會於股本權益中處理。

外幣

編製集團旗下個別實體之財務報表時，有關實體以功能貨幣以外貨幣(外幣)進行之交易，按交易日期之適用匯率折算為其功能貨幣(即該實體經營業務所在主要經濟環境之貨幣)入賬。於各結算日，以外幣列值之貨幣項目按該結算日之適用匯率重新換算。按歷史成本計量之以外幣列值非貨幣項目不予重新換算。

結算貨幣項目及換算貨幣項目所產生匯兌差額，於該等差額產生期間之損益確認。

就綜合財務報表之呈列方式而言，本集團海外業務之資產與負債按於結算日適用之匯率換算為本公司之呈列貨幣(即港元)，而其收入及開支則按該年度之平均匯率換算，惟匯率於該期間大幅波動則除外，於此情況下，則按各交易日期適用之匯率換算。產生之匯兌差額(如有)確認為權益之獨立部分(匯兌儲備)。該等匯兌差額於出售海外業務期間之損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when the group entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognized on an effective interest basis for debt instruments, of which interest income is included in net gains or losses.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including deferred consideration receivable, debtors, amounts due from related companies, associates, a jointly controlled entity and fellow subsidiaries, loan receivable, loan to a related company, pledged bank deposits, short term bank deposits and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment of financial assets below).

3. 主要會計政策(續)

金融工具

金融資產及金融負債於集團實體成為訂約提供工具之一方時於資產負債表確認。金融資產及金融負債初步以公平值計量。購置或發行金融資產及金融負債時直接產生之交易成本於初步確認時加進或扣減該金融資產及金融負債(視情況而定)之公平值。因收購按公平值計入損益金融資產或金融負債而直接產生之交易成本乃即時於損益確認。

金融資產

本集團之金融資產為貸款及應收款項及可供出售之金融資產。所有金融資產之日常買賣乃按交易日基準確認及終止確認。日常買賣指須根據市場規則或慣例確立之時限內交付資產之金融資產買賣。

實際利息法

實際利息法乃計算金融資產之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃按金融資產預計年期或較短期間(視情況而定)精確貼現估計日後現金收入(包括所付或所收之一切費用作為實際利率之整體一部份、交易成本及其他所有溢價或折讓)。

債務工具之收入按實際利率法確認,其利息收入納入收益或虧損淨額。

貸款及應收款項

貸款及應收款項為於活躍市場並無報價而附帶固定或可釐定付款之非衍生金融資產。於首次確認後之各結算日,貸款及應收款項(包括應收遞延代價、應收賬款、應收關連公司/聯營公司/共同控制機構/同系附屬公司款項、應收貸款、貸予關連公司之貸款、已抵押銀行存款、短期銀行存款及銀行結餘)採用實際利率法攤銷成本,並減任何已識別減值虧損列賬(見下文有關金融資產減值之會計政策)。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognized in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognized in equity is removed from equity and recognized in profit or loss.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets such as debtors, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

可供出售之金融資產

可供出售之金融資產為非衍生項目，無論是否劃分為按公平值計入損益之金融資產、貸款及應收款項或持至到期投資。於初步確認後各結算日，可供出售之金融資產按公平值計算。公平值之變動於權益確認，直至該金融資產被出售或決定被減值，屆時過往於權益確認之累計收入或虧損會自權益剔除，並於損益賬中確認。

金融資產減值

金融資產於每個結算日被評估減值跡象。倘有客觀證據證明因金融資產初次確認後發生之一件或多件事項使金融資產之估計未來現金流量受影響，則金融資產被減值。

可供出售股本投資方面，該投資之公平值長期明顯下降至低於其成本值時，即被視為減值之客觀證據。

減值之客觀證據包括：

- 發行人或交易對手出現沉重之財政困難；或
- 欠繳或遲繳利息或本金額；或
- 借款人有可能面臨破產或財務重組。

就若干類別之金融資產(如應收賬款)而言，不會單獨作出減值之資產會於其後彙集一併評估減值。

就按攤銷成本計值之金融資產而言，當有客觀證據顯示資產減值時於損益內確認減值虧損，及按賬面值與估計未來現金流之現值(以原定實際利率折算)間之差異計量。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other debtors, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a debtor is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in equity.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Interest expense is recognised on an effective interest basis.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

金融資產之賬面值因其減值虧損而直接減少，惟應收賬款及其他應收款項之賬面值則透過使用撥備賬減少。所有撥備賬賬面值之變動於損益賬內確認。倘應收賬款被認為不可收回，則於撥備賬內撇銷。其後收回之已撇銷數額計入損益賬。

按攤銷成本計量的金融資產方面，倘減值虧損之數額於隨後期間減少，而此項減少可客觀地與確認減值虧損後之某一事件發生聯繫，則原先確認的減值虧損於損益中予以撥回，惟於撥回減值當日之資產賬面值不得超逾假設未確認減值時之攤銷成本。

可供出售股本投資之減值虧損不會於隨後期間撥回損益賬內。在減值虧損後之任何公平值增加直接於權益內確認。

金融負債及股本權益

由集團實體發行之金融負債及股本權益工具按所訂立之合約安排性質，以及金融負債及股本權益工具之定義而分類。

股本權益工具為帶有集團資產剩餘權益（經扣除其所有負債）之任何合約。就金融負債及股本權益工具採納之會計政策如下。

實際利息法

實際利息法乃計算金融負債之攤銷成本及按有關期間攤分利息開支之方法。實際利率乃將估計日後所付現金按金融資產之預期期限，或較短期間（倘適用）有效貼現之利率。

利息支出按實際利息基準確認。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities

Financial liabilities including creditors, amounts due to related companies, associates, minority shareholders and fellow subsidiaries and bank borrowings are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Equity-settled share-based payment transactions

For share options granted to employees of the Group after 7 November 2002, the fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight line basis over the vesting period, with a corresponding increase in equity (share options reserve). At each balance sheet date, the Group revises its estimates of the number of share options expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss, with a corresponding adjustment to share options reserve.

At the time when the share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated profits.

3. 主要會計政策(續)

金融工具(續)

金融負債及股本權益(續)

金融負債

金融負債(包括應付賬款、應付關連公司、聯營公司、少數股東及同系附屬公司款項及銀行貸款)均按實際利息法於其後以攤銷成本計算。

股本權益工具

本公司發行之股本權益工具乃按已收款項減直接發行成本記賬。

終止確認

當自資產收取現金流量之權利已屆滿，或金融資產已轉讓及本集團已將其於金融資產擁有權之絕大部分風險及回報轉移，則金融資產將被終止確認。於終止確認金融資產時，資產賬面值與已收或應收代價及已直接於權益確認之累計損益之總和之間差額，將於損益賬中確認。

至於金融負債，惟當其已告失效時(即當於有關合約所訂明責任獲解除、取消或屆滿時)才於本集團之資產負債表中終止確認。終止確認金融負債之賬面值與已付及應付代價之間差額於損益賬確認。

權益結算之以股份為基礎付款之交易

就於二零零二年十一月七日後授予本集團僱員之購股權而言，所獲服務之公平值乃參考購股權於授出日期之公平值釐定，在權益歸屬期間以直線法列作開支，並於權益中(購股權儲備)作相應之增加。於各結算日，本集團會修改其對預期最終歸屬購股權數目之估計。修改原估計之影響(如有)於損益確認，並於購股權儲備作相應調整。

購股權獲行使時，先前於購股權儲備中確認之款項將撥入股份溢價。當購股權被沒收或於屆滿日期仍未行使，先前於購股權儲備中確認之款項將撥入累計溢利。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

(a) Deferred tax asset

At 31 March 2008, no deferred tax asset has been recognised in relation to unused tax losses of approximately HK\$309,390,000 (2007: HK\$333,982,000) in the Group's balance sheet due to unpredictability of future profit streams. In cases where future profits are expected to be generated, a deferred tax asset may be recognised in the consolidated financial statements.

(b) Construction contracts

The Group recognises contract revenue and profit on a construction contract according to the management's estimation of the total outcome of the project as well as the percentage of completion of construction works. Notwithstanding that the management reviews and revises the estimates of both contract revenue and costs for the construction contract as the contract progresses, the actual outcome of the contract in terms of its total revenue and costs may be higher or lower than the estimates and this will affect the revenue and profit recognised.

4. 不確定估計之主要來源

應用本集團於附註3所闡述之會計政策時，本公司董事須就無法由其他途徑獲得之資產及負債之賬面值作出估計及假設。該等估計及相關假設乃根據過往經驗及其他被視為有關之因素而作出。實際業績可能與該等估計不盡相同。

此等估計及相關假設會持續予以審閱。如會計估計的修訂僅對作出修訂的期間產生影響，則有關修訂只會在該期間內確認；如會計估計的修訂對現時及未來期間均產生影響，則會在作出該修訂期間和未來期間內確認。

以下為有關未來之重要假設，以及於結算日不確定估計之其他主要來源，均具備相當風險導致於下一財政年度內對資產及負債之賬面值作出重大調整：

(a) 遞延稅項資產

於二零零八年三月三十一日，由於未能確定未來溢利來源，未動用之稅項虧損約309,390,000港元（二零零七年：333,982,000港元）並無於本集團之資產負債表內確認為遞延稅項資產。若預期產生未來溢利，或會於綜合財務報表中確認遞延稅務資產。

(b) 建築合約

本集團乃根據管理層對項目總結果之估計乃至合約工程完工百分比確認建築合約之合約收益及利潤。儘管管理層會在合約過程中檢討並修改建築合約之合約收益及成本，合約就總收益及成本之實際結果可能高於或低於有關估計，而此將影響確認之收益及利潤。

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes the bank borrowings disclosed in note 32, cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued share capital, reserves and accumulated profits.

The directors of the Company review the capital structure regularly. As a part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

6. FINANCIAL INSTRUMENTS

6a. Categories of financial instruments

Financial assets	金融資產
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及 與現金等值項目)
Available-for-sale financial assets	可供出售金融資產
Financial liabilities	金融負債
Amortised cost	已攤銷成本

5. 資本風險管理

管理層管理其資本，以確保本集團旗下實體將可持續經營，並透過優化債務及權益結餘為股東帶來最大回報。於過往年度，本集團之整體策略維持不變。

本集團之資本結構包括債務，其包括於附註32披露之銀行及其他借款、現金及與現金等值項目及本公司權益持有人應佔權益，其包括已發行股本、儲備及累計溢利。

本公司董事定期檢討審閱資本結構。作為此檢討之一環，董事考慮資本成本及與各類別資本相關之風險。本集團將根據董事之意見透過派付股息、發行新股以及新增債務或贖回現有債務而平衡其整體資本結構。

6. 金融工具

6a. 金融工具類別

	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Loans and receivables (including cash and cash equivalents)	2,193,159	2,060,691
Available-for-sale financial assets	343	732
	2,193,502	2,061,423
Amortised cost	1,226,048	1,017,224

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, deferred consideration receivable, debtors, amounts due from related companies, associates, a jointly controlled entity and fellow subsidiaries, loan receivable, loan to a related company, pledged bank deposits, short term bank deposits, bank balances, creditors, amounts due to related companies, associates, minority shareholders and fellow subsidiaries and bank borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risks

(i) Currency risk

The functional currency of the group entities are mainly Hong Kong dollars. The Group undertakes certain transactions denominated in currencies other than the functional currency of the relevant group entities and the Group's foreign currency risks exposure mainly arises from Macau Pataca ("MOP"), Renminbi and United States dollar ("USD") exchange rates. The Group currently does not have a foreign currency hedging policy. However, the Group manages its foreign currency risk by closely monitoring the movement of the foreign currency exchange rate and will consider hedging significant foreign currency exposure should the need arises.

6. 金融工具(續)

6b. 金融風險管理目標及政策

本集團主要金融工具包括可供出售之投資、應收遞延代價、應收賬款、應收關連公司／聯營公司／一間共同控制機構／同系附屬公司款項、應收貸款、貸予一間關連公司之貸款、已抵押銀行存款、短期銀行存款、銀行結餘、應付賬款、應付關連公司／聯營公司／少數股東／同系附屬公司款項及銀行借款。該等金融工具之詳情披露於有關附註。本集團主要金融工具所附帶之主要風險及減輕此等風險之政策載列於下文。管理層管理及監察該等風險以確保適時並有效地實施適當之措施。

市場風險

(i) 貨幣風險

各集團實體之功能貨幣主要為港元。本集團以相關集團實體之功能貨幣以外之貨幣進行若干交易，而本集團之外幣風險主要來自澳門幣(「澳門幣」)、人民幣及美元(「美元」)匯率。本集團現時並無外幣對沖政策。然而，本集團正密切監察外幣匯率變動，從而管理其外幣風險，並會於有需要時考慮對沖重大外幣風險。

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risks (continued)

(i) Currency risk (continued)

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities as at 31 March 2008 and 2007 is as follows:

Assets	資產
Renminbi	人民幣
MOP	澳門幣
USD	美元
Liabilities	負債
Renminbi	人民幣
MOP	澳門幣

The Group's foreign currency risk is mainly concentrated on the fluctuation of the Renminbi against the Hong Kong dollar as Hong Kong dollar is pegged to the other two foreign currencies, namely MOP and USD. The following table details the Group's sensitivity to a 5% increase and decrease in Renminbi against Hong Kong dollars. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number indicates an increase in profit where Renminbi strengthens 5% against Hong Kong dollars. For a 5% weakening of Renminbi against Hong Kong dollars, there would be an equal and opposite impact on the profit, the balances below would be opposite.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

本集團於二零零八年及二零零七年三月三十一日以外幣為單位之貨幣資產及貨幣負債之賬面值如下：

2008 HK\$'000 千港元	2007 HK\$'000 千港元
286,436	198,815
105,990	106,979
38,412	51,545
19,876	—
22,761	725

由於港幣與另外兩種外幣(澳門幣及美元)掛鈎，故本集團之外幣風險主要集中於人民幣兌港幣之波動。下表詳細說明本集團對人民幣兌港幣上升及下跌5%之敏感度。向主要管理人員作內部外幣風險報告時使用之敏感率為5%，其乃管理層對可能出現之合理匯率變動作出之評估。敏感度分析僅包括以外幣為單位尚未結算之貨幣項目，並於年底按5%匯率變動幅度調整其換算。所得正數表示人民幣兌港幣上升5%而令溢利增加。倘人民幣兌港幣下跌5%，將對溢利造成等值但相反之影響，以下結餘將為相反。

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risks (continued)

(i) Currency risk (continued)

Increase in profit	溢利增加
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(ii) Interest rate risk

The Group exposed to cash flow interest rate risk in relation to other debtors, bank deposits and variable-rate bank borrowings (see notes 25, 30, 32 for details respectively). It is the Group's policy to keep its borrowings at variable-rate of interest so as to minimize the fair value interest rate risk. The Group currently does not have an interest rate hedging policy. However, management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for bank deposits, other debtors and variable-rate bank borrowings. The analysis is prepared on the balance at balance sheet date. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31 March 2008 would increase/decrease by HK\$2,473,000 (2007: increase/decrease by HK\$2,144,000). This is mainly attributable to the Group's exposure to interest rates on its bank deposits and other debtors.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(i) 貨幣風險(續)

2008 HK\$'000 千港元	2007 HK\$'000 千港元
10,996	8,201

(ii) 利率風險

本集團就其他應收賬款、銀行存款、及浮動利率銀行借款(詳情分別見附註25、30及32)承受現金流利率風險。本集團之政策為以浮動利率維持借款,以便將公平值利率風險降至最低。本集團現時並無利率對沖政策。然而,管理層會監察利率風險,並會於有需要時考慮對沖重大利率風險。

敏感度分析

下文所載之敏感度分析乃根據銀行存款、其他應收賬款及浮動利率銀行借款所承受之利率風險而釐定。此分析乃就結算日之結餘編製。向主要管理人員作內部利率風險報告時使用50個基點增加或減少幅度,其乃管理層對可能出現之合理利率變動作出之評估。

倘利率上升/下跌50個基點,且其他變數保持不變,本集團截至二零零八年三月三十一日止年度之溢利將會增加/減少2,473,000港元(二零零七年:增加/減少2,144,000港元)。此主要是由於本集團銀行存款及其他應收賬款承受利率風險所致。

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Market risks (continued)

(ii) Interest rate risk (continued)

Sensitivity analysis (continued)

Furthermore, if interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's profit for the year ended 31 March 2008 would decrease/increase by HK\$840,000 (2007: decrease/increase by HK\$931,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate bank borrowings.

(iii) Equity price risk

The Group's equity instruments (classified as available-for-sale investments) expose the Group to equity price risks. In the opinion of management, the Group's equity price risk in relation to its available-for-sale investments is minimal.

Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge obligations by the counterparties in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated balance sheet and the guarantee as set out in note 39.

In order to minimise the credit risk, management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual debtor to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

敏感度分析(續)

此外，倘利率上升／下跌50個基點，且其他變數保持不變，本集團截至二零零八年三月三十一日止年度之溢利將會減少／增加840,000港元(二零零七年：減少／增加931,000港元)。此主要是由於本集團浮動利率銀行借款承受利率風險所致。

(iii) 股本權益價格風險

本集團之股本權益工具(列為可供出售投資)使本集團承受股本權益價格風險。管理層認為，本集團就其可供出售投資所承受之股本權益價格風險微不足道。

信貸風險

因交易對手未能履行義務，而導致本集團所承受將對集團造成財務損失之最大信貸風險乃關於各類已確認金融資產於綜合資產負債表所列該等資產之賬面值與附註39所載之擔保。

為降低信貸風險，本集團管理層已委派一小組專責釐定信貸限額、信貸審批及其他監管程序，確保就追回過期欠款採取跟進措施。另外，本集團會定期覆核各個別債務人之可收回款額，確保就未能收回之款項作出恰當減值。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Credit risk (continued)

Due to the fact that there are only a few major property developers in Hong Kong, the Group has significant concentration of credit risk in a few customers and significant concentration of credit risk by geographic location in Hong Kong. In view of their credit standings, good payment record in the past and long term relationships with the Group, the directors of the Company consider that the Group's credit risk is reduced. At the balance sheet dates, the outstanding balances (including retention receivable) from the five largest customers amounted to approximately HK\$865,154,000 (2007: HK\$857,631,000) in aggregate, of which the largest customer represent approximately 21% (2007: 30%) of the trade debtors and retention receivable at the balance sheet date.

Included in debtors, deposits and prepayments is an amount of approximately HK\$222,722,000 (2007: HK\$176,753,000) which mainly represents advances made to an independent third party and interest thereon (see note 25 for details) which expose the Group to the concentration of credit risk on this single counterparty. In view that the balance is secured by properties interest in the People's Republic of China (the "PRC") and that the market value is higher than the carrying amount of the balance, the directors of the Company consider that the Group's exposure to credit risk on this balance is reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

信貸風險(續)

由於香港只有少數大型物業發展商，本集團就客戶而言及香港地區而言有重大信貸集中風險。鑒於彼等客戶信譽穩健、過去付款記錄良好及與本集團有長期關係，故本公司董事認為本集團之信貸風險已降低。於結算日，五大客戶之未償還結餘(包括應收保固金)合共約為865,154,000港元(二零零七年：857,631,000港元)，其中最大客戶於結算日約佔應收貿易賬款及應收保固金總額21%(二零零七年：30%)。

應收賬款、訂金及預付款項內包括一筆為數約222,722,000港元之款項(二零零七年：176,753,000港元)，此主要乃付予獨立第三方之墊款及其利息(詳情見附註25)，使本集團就此單一交易對手承受信貸集中風險。鑒於該結餘以在中華人民共和國(「中國」)之物業權益為抵押，且市值高於該結餘之賬面值，故本公司董事認為本集團就該結餘所承受之信貸風險已降低。

因交易對手乃具有國際評級機構所給予之高信貸評級之銀行，故流動資金信貸風險乃有限。

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Credit risk (continued)

With respect to credit risk and concentration risk arising from amount due from a jointly controlled entity, fellow subsidiaries and associates, the Group's exposure to credit risk arising from default of the counterparty is limited as the counterparty has good reputation and a good history of repayment and the Group does not expect to incur a significant loss for uncollected amounts due from these counterparties.

Other than the above, the Group has no other significant concentration of credit risk, with exposure spread over a number of counterparty.

Liquidity risk

The Group has net current assets of approximately HK\$342,038,000 (2007: HK\$261,585,000) as at 31 March 2008. The Group has sufficient funds to finance its current working capital requirements taking into account of the existing banking facilities and cashflows from operations.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Management monitors the utilisation of bank borrowings from time to time and is of the opinion that most of the bank borrowings can be renewed based on the strength of the Group's earnings and asset base.

6. 金融工具(續)

6b. 金融風險管理目標及政策(續)

信貸風險(續)

就應收一間共同控制機構、同系附屬公司及聯營公司之款項而產生之信貸風險及信貸集中風險而言，本集團因交易對手拖欠而承受之信貸風險乃有限，因為該交易對手信譽穩健且過去付款記錄良好，故本集團預期不會因無法收取該等交易對手應收款項而招致重大損失。

除上文所披露者外，本集團之風險分散於多個交易對手，故並無其他重大信貸集中風險。

流動資金風險

本集團於二零零八年三月三十一日之流動資產淨值約為342,038,000港元(二零零七年：261,585,000港元)。經計及現有銀行信貸額度及經營現金流量，本集團有足夠資金應付其現時營運資金之需要。

於管理流動資金風險時，本集團監察並將現金及與現金等價項目維持在管理層認為足以應付本集團營運之水平，並減低現金流量波動之影響。管理層不時監察銀行借款之動用情況，並認為基於本集團盈利及資產基礎穩健，絕大部分銀行借款可予重續。

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The following table details the Group's contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows.

		Weighted average effective interest rate 加權平均 實際利率	Within 90 days 90日以內 HK\$'000 千港元	91 days – 1 year 91日至一年 HK\$'000 千港元	Over 1 year 一年以上 HK\$'000 千港元	Total undiscounted cash flow 未貼現現金 流量總額 HK\$'000 千港元	Total carrying amount 賬面值總額 HK\$'000 千港元
At 31 March 2008							
Creditors	應付賬款	–	744,597	140,596	124,995	1,010,188	1,010,188
Amounts due to related companies	應付關連公司款項	–	33	–	–	33	33
Amounts due to associates	應付聯營公司款項	–	609	–	–	609	609
Amounts due to minority shareholders	應付少數股東款項	–	1,041	–	–	1,041	1,041
Amounts due to fellow subsidiaries	應付同系附屬公司款項	–	10,515	–	–	10,515	10,515
Bank borrowings	銀行借款	6.5%	133,292	67,313	6,294	206,899	203,662
			890,087	207,909	131,289	1,229,285	1,226,048
At 31 March 2007							
Creditors	應付賬款	–	623,454	3,029	159,488	785,971	785,971
Amounts due to related companies	應付關連公司款項	–	2,906	–	–	2,906	2,906
Amounts due to associates	應付聯營公司款項	–	1,401	–	–	1,401	1,401
Amounts due to minority shareholders	應付少數股東款項	–	1,041	–	–	1,041	1,041
Bank borrowings	銀行借款	5.5%	174,490	1,476	52,496	228,462	225,905
			803,292	4,505	211,984	1,019,781	1,017,224

6. 金融工具 (續)

6b. 金融風險管理目標及政策 (續)

流動資金風險 (續)

下表詳述本集團非衍生金融負債之合約到期日。該表根據本集團及本公司可能被要求償還之最早日期之金融負債未貼現現金流量編製。該表既包括利息，亦包括本金現金流量。

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value

The fair value of the Group's financial assets and financial liabilities, other than available-for-sale investments, are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

Available-for-sale investments are stated at fair value by reference to bid prices quoted in active market.

The directors consider that the carrying amounts of the Group's financial assets and financial liabilities recorded at amortized cost in the consolidated financial statements approximate their fair values.

7. TURNOVER

Turnover represents the total value of contract work certified, the gross proceeds received and receivable from project management services in connection with contract work, and service income from building facilities management rendered by the Group during the year and is analysed as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Revenue from construction contracts	建築合約收益	4,853,345	4,325,799
Revenue from project and facilities management services	項目及設施管理服務收益	59,677	33,530
		4,913,022	4,359,329

8. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

For management purposes, the Group's operations are currently organized into two operating divisions, namely Management Contracting and Property Development Management. These divisions are the basis on which the Group reports its primary segment information.

6. 金融工具(續)

6c. 公平值

除可供出售之投資外，本集團金融資產及金融負債之公平值乃按照普遍接納定價模式，按可觀察現市場交易價格以貼現現金流量分析法釐定。

可供出售之投資參考活躍市場競價按公平值列賬。

董事認為本集團之金融資產及金融負債於綜合財務報表按已攤銷成本入賬之賬面值與其公平值相若。

7. 營業額

營業額指年內經核實之建築合約總值以及本集團就其合約工程提供項目管理服務而收取及應收取之款項總額，以及來自樓宇設施管理之服務收入，分析如下：

8. 業務及地區分部

業務分部

就管理而言，本集團之業務現時分為兩個經營部門，分別為承建管理及物業發展管理。此等部門為本集團匯報其主要分部資料之基準。

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Business segments (continued)

In the previous year, the Group's operations were organized into three operating segments, namely Management Contracting, Project Management and Facilities Management. During the year, management has reorganized the operating segments by grouping the Project Management and Facilities Management segments into the Property Development Management segment as a result of change in the Group's internal organizational and management structure. Comparative segment information has been restated accordingly.

Business segment information for the year ended 31 March 2008 is presented below:

8. 業務及地區分部 (續)

業務分部 (續)

於去年度，本集團之業務乃分為三個經營分部，分別為承建管理、項目管理及設施管理。年內，因應本集團內部結構及管理架構變動，管理層將其經營分部重組，方式為將項目管理及設施管理分部劃入物業發展管理分部。分部比較資料因而重列。

截至二零零八年三月三十一日止年度之業務分部資料呈列如下：

		Management Contracting 承建管理 HK\$'000 千港元	Property Development Management 物業發展管理 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
TURNOVER	營業額					
External sales	對外銷售	4,853,345	59,677	–	–	4,913,022
Inter-segment sales	分部之間銷售	–	4,209	–	(4,209)	–
Total	總計	4,853,345	63,886	–	(4,209)	4,913,022
RESULTS	業績					
Segment results	分部業績	110,999	18,023	–		129,022
Unallocated corporate expenses	未分配企業開支					(61,900)
Other income	其他收入					39,377
Finance costs	融資成本					(9,405)
Gain on disposal of an associate	出售一間聯營公司之收益	3,459	–	–		3,459
Share of results of associates	攤佔聯營公司業績					
– associates engaged in property investment	– 從事物業投資之聯營公司	–	–	22,391		22,391
– others	– 其他	6,638	89	–		6,727
Share of results of jointly controlled entities	攤佔共同控制機構業績	59	–	–		59
Profit before taxation	除稅前溢利					129,730
Taxation	稅項					(9,747)
Profit for the year	年度溢利					119,983

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Business segments (continued)

Inter-segment sales are charged at market price or, where no market price was available, at terms determined and agreed by both parties.

8. 業務及地區分部 (續)

業務分部 (續)

分部之間之銷售額乃按市價收取或(倘無可供參考之市價)按雙方釐定及同意之條款收取。

		Management Contracting 承建管理 HK\$'000 千港元	Property Development Management 物業發展管理 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
ASSETS	資產				
Segment assets	分部資產	1,981,852	70,418	–	2,052,270
Interests in associates	聯營公司權益	31,299	3,800	35,307	70,406
Interests in jointly controlled entities	共同控制 機構權益	1,987	–	–	1,987
Unallocated corporate assets	未分配企業資產				508,092
Total assets	總資產				2,632,755
LIABILITIES	負債				
Segment liabilities	分部負債	1,821,540	3,570	–	1,825,110
Unallocated corporate liabilities	未分配企業負債				269,699
Total liabilities	總負債				2,094,809
OTHER INFORMATION	其他資料				
Capital additions	資本增添	4,856	1,602	2,042	8,500
Depreciation of property, plant and equipment	物業、機械及設備 之折舊	8,655	762	1,461	10,878
Loss (gain) on disposal of property, plant and equipment	出售物業、機械及設備 之虧損(收益)	28	(3)	24	49

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Business segments (continued)

Business segment information for the year ended 31 March 2007 is presented below:

8. 業務及地區分部 (續)

業務分部 (續)

截至二零零七年三月三十一日止年度之業務分部資料呈列如下：

		Management Contracting 承建管理 HK\$'000 千港元	Property Development 物業發展管理 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Eliminations 對銷 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
TURNOVER	營業額					
External sales	對外銷售	4,325,799	33,530	–	–	4,359,329
Inter-segment sales	分部之間銷售	1,596	12,687	–	(14,283)	–
Total	總計	4,327,395	46,217	–	(14,283)	4,359,329
RESULTS	業績					
Segment results	分部業績	58,733	(211)	–		58,522
Unallocated corporate expenses	未分配企業開支					(48,563)
Other income	其他收入					33,740
Finance costs	融資成本					(7,454)
Share of results of associates	攤佔聯營公司業績					
– an associate engaged in property investment	– 一間從事物業投資之聯營公司	–	–	71,852		71,852
– others	– 其他	1,299	681	–		1,980
Share of results of jointly controlled entities	攤佔共同控制機構業績	(642)	–	–		(642)
Profit before taxation	除稅前溢利					109,435
Taxation	稅項					(8,401)
Profit for the year	年度溢利					101,034

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Business segments (continued)

Inter-segment sales are charged at market price or, where no market price was available, at terms determined and agreed by both parties.

8. 業務及地區分部 (續)

業務分部 (續)

分部之間之銷售額乃按市價收取或(倘無可供參考之市價)按雙方釐定及同意之條款收取。

		Management Contracting 承建管理 HK\$'000 千港元	Property Development Management 物業發展管理 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
ASSETS	資產				
Segment assets	分部資產	1,966,433	27,575	–	1,994,008
Interests in associates	聯營公司權益	29,038	3,376	76,541	108,955
Interests in jointly controlled entities	共同控制 機構權益	1,928	–	–	1,928
Unallocated corporate assets	未分配企業資產				456,480
Total assets	總資產				2,561,371
LIABILITIES	負債				
Segment liabilities	分部負債	1,844,278	4,110	–	1,848,388
Unallocated corporate liabilities	未分配企業 負債				258,047
Total liabilities	總負債				2,106,435
OTHER INFORMATION	其他資料				
Capital additions	資本增添	19,418	1,346	2,129	22,893
Depreciation of property, plant and equipment	物業、機械及設備 之折舊	7,344	173	1,003	8,520
Loss on disposal of property, plant and equipment	出售物業、機械及設備 之虧損	979	–	3	982

8. BUSINESS AND GEOGRAPHICAL SEGMENTS (continued)

Geographical segments

The Group's operations are located in Hong Kong, Macau and the PRC other than Hong Kong and Macau.

The following table provides an analysis of the Group's turnover by geographical market, irrespective of the origin of the goods/services:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Hong Kong	香港	4,083,524	2,784,603
Macau	澳門	765,947	1,553,975
PRC other than Hong Kong and Macau	中國(香港及澳門除外)	63,551	20,751
		4,913,022	4,359,329

The following is an analysis of the carrying amounts of segment assets and capital additions, analysed by the geographical area in which the assets are located:

8. 業務及地區分部(續)

地區分部

本集團之業務位於香港、澳門及中國(香港及澳門除外)。

按地區分類(不論商品/服務之來源地)之本集團之營業額如下:

以下為按資產之所在地區劃分，對分部資產賬面值及資本增添之分析：

		Carrying amounts of segment assets 分部資產賬面值		Capital additions 資本增添	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Hong Kong	香港	1,302,785	1,097,109	7,030	19,081
Macau	澳門	438,215	668,922	707	—
PRC other than Hong Kong and Macau	中國(香港及澳門除外)	311,270	227,977	763	3,812
		2,052,270	1,994,008	8,500	22,893

9. OTHER INCOME

9. 其他收入

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Bank interest income	銀行利息收入	9,674	9,883
Interest income on other debtors	其他應收賬款之利息收入	29,437	23,483
Imputed interest income on deferred consideration receivable	應收遞延代價之 估算利息收入	266	374
		39,377	33,740

10. FINANCE COSTS

10. 融資成本

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Borrowing costs on bank borrowings:	銀行借款之借貸成本：		
Wholly repayable within five years	須於五年內全數償還	9,820	10,684
Not wholly repayable within five years	不須於五年內 全數償還	—	77
		9,820	10,761
Less: Amount capitalised in respect of contracts in progress	減：撥充在建合約 工程資本之數額	(415)	(3,307)
		9,405	7,454

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to each of the six (2007: eight) directors are as follows:

Name of directors	Fees	Salaries and other benefits	Discretionary bonus	Retirement benefit scheme contributions	Share-based payment expenses	Total
董事姓名	袍金	薪酬及其他福利	酌定花紅	退休福利計劃供款	以股份為基礎付款之開支	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
2008	二零零八年					
James Chiu	趙雅各	750	-	-	109	859
Lau Ko Yuen, Tom	劉高原	100	-	-	109	209
Mok Yat Fan, Edmond (note i)	莫一帆(附註i)	-	2,980	188	502	3,682
Lee Hon Chiu (note ii)	李漢潮(附註ii)	-	1,500	94	33	1,702
Lee Chack Fan	李焯芬	500	-	-	109	609
Iain Ferguson Bruce	Iain Ferguson Bruce	550	-	-	109	659
		1,900	4,480	282	971	7,720
2007	二零零七年					
James Chiu	趙雅各	774	-	-	-	774
Lau Ko Yuen, Tom	劉高原	100	-	-	-	100
Mok Yat Fan, Edmond (note i)	莫一帆(附註i)	-	2,480	300	498	3,288
Lee Hon Chiu (note ii)	李漢潮(附註ii)	-	1,500	200	67	1,842
Lee Chack Fan	李焯芬	500	-	-	-	500
Iain Ferguson Bruce	Iain Ferguson Bruce	550	-	-	-	550
Wong Wing Hoo, Billy (note iii)	黃永灝(附註iii)	-	145	-	135	285
Kwan Chi Ping, Edgar (note iv)	關治平(附註iv)	-	1,548	-	244	1,798
		1,924	5,673	500	944	9,137

Notes:

- (i) Appointed on 1 June 2006.
- (ii) Resigned on 1 May 2008.
- (iii) Resigned on 30 April 2006.
- (iv) Appointed on 1 June 2006 and resigned on 6 December 2006.

附註:

- (i) 於二零零六年六月一日獲委任。
- (ii) 於二零零八年五月一日辭任。
- (iii) 於二零零六年四月三十日辭任。
- (iv) 於二零零六年六月一日獲委任，並於二零零六年十二月六日辭任。

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

(b) Employees' emoluments

The five highest paid individuals in the Group for the year included one director (2007: three directors) of the Company, details of whose emoluments as directors are set out in note 11(a) above.

The aggregate emoluments of the remaining four (2007: two) highest paid individuals, who are employees of the Group are as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Salaries and other benefits	薪酬及其他福利	8,280	3,360
Discretionary bonus	酌定花紅	1,526	185
Retirement benefit scheme contributions	退休福利計劃供款	118	93
Share-based payment expenses	以股份為基礎付款之開支	651	—
		10,575	3,638

Their emoluments were within the following bands:

11. 董事及僱員酬金 (續)

(b) 僱員酬金

本集團於本年度五位最高薪人員包括本公司一名董事(二零零七年:三名董事),該等人士之酬金詳情載於上文附註11(a)。

餘下四位(二零零七年:兩位)最高薪酬人士(為本集團僱員)之總酬金如下:

彼等酬金級別如下:

		Number of employees 僱員人數	
		2008	2007
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	2
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	2	—
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	1	—
		4	2

During the year, no emoluments were paid by the Group to the five highest paid individuals, including directors, as an inducement to join or upon joining the Group or as compensation for loss of office. In addition, none of the directors has waived any emoluments during the year.

年內,本集團並無向五位最高薪人員(包括董事)支付酬金以作為加入本集團或於加入本集團時之獎勵,或作為離職補償。此外,年內概無任何董事放棄任何酬金。

12. TAXATION

12. 稅項

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
The charge comprises:	支出包括：		
Current tax:	本期稅項：		
Hong Kong Profits Tax	香港利得稅	—	125
Overseas tax	海外稅項	8,644	9,109
		8,644	9,234
Under(over)-provision in prior years:	過往年度不足(多計)準備：		
Hong Kong Profits Tax	香港利得稅	—	(268)
Overseas tax	海外稅項	1,103	(565)
		1,103	(833)
Taxation attributable to the Company and its subsidiaries	本公司及其附屬公司應佔稅項	9,747	8,401

No tax is payable on the profit for the year ended 31 March 2008 arising in Hong Kong since the assessable profit is wholly absorbed by tax losses brought forward. Hong Kong Profits Tax is calculated at 17.5% of the estimated assessable profits for the year ended 31 March 2007.

Overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

由於應課稅溢利已全數由承前稅項虧損所抵銷，故截至二零零八年三月三十一日止年度源自香港之溢利，並無任何應付利得稅項。香港利得稅乃根據截至二零零七年三月三十一日止年度估計應課稅溢利按17.5%計算。

海外稅項乃根據各有關司法權區之通行稅率計算。

12. TAXATION (continued)

The taxation charge for the year can be reconciled to the profit before taxation per the consolidated income statement as follows:

12. 稅項 (續)

本年度之稅項支出與綜合收益表所列之除稅前溢利之對賬如下：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Profit before taxation	除稅前溢利	129,730	109,435
Tax at Hong Kong Profits Tax rate (Note)	按香港利得稅稅率計算之稅項 (附註)	22,703	19,151
Tax effect of share of results of associates/jointly controlled entities	攤佔聯營公司／共同控制機構業績之稅務影響	(5,106)	(12,808)
Tax effect of expenses not deductible for tax purpose	在稅務方面不可扣減開支之稅務影響	7,424	6,297
Tax effect of income not taxable for tax purpose	在稅務方面毋須課稅收入之稅務影響	(9,342)	(3,309)
Tax effect of deductible temporary difference not recognised	未確認可扣減暫時差額之稅務影響	62	1,471
Tax effect of utilisation of deductible temporary difference previously not recognised	動用先前未確認之可扣減暫時差額之稅務影響	(121)	(240)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	6,667	7,571
Tax effect of utilisation of tax losses previously not recognised	動用先前未確認稅務虧損之稅務影響	(11,789)	(6,635)
Tax effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營業務之附屬公司之不同稅率之稅務影響	(1,854)	(2,264)
Under(over)-provision in prior years	過往年度不足(多計)準備	1,103	(833)
Taxation charge for the year	年度之稅項支出	9,747	8,401

Details of the deferred taxation are set out in note 33.

遞延稅項之詳情載列於附註33。

Note: The applicable tax rate is the tax rate in Hong Kong of 17.5% where the taxable profit of the Group is substantially generated.

附註：本集團之應課稅溢利大多來自香港，故適用稅率為香港稅率17.5%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2008 截至二零零八年三月三十一日止年度

13. PROFIT FOR THE YEAR

13. 年度溢利

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Profit for the year has been arrived at after charging:	年度溢利已扣除：		
Auditor's remuneration	核數師酬金	3,238	2,957
Depreciation of property, plant and equipment (note (b) below)	物業、機械及設備之折舊 (下文附註(b))	8,670	7,029
Impairment loss recognised in respect of trade and other debtors (note (a) below)	貿易及其他應收賬款之已確認減值虧損 (下文附註(a))	234	427
Loss on disposal of property, plant and equipment	出售物業、機械及設備之虧損	49	982
Operating lease rentals (note (c) below)	經營租約租金 (下文附註(c))	17,460	11,695
Release of prepaid land lease payments	轉撥預付土地租賃款項	575	575
Staff costs (note (d) below)	員工支出 (下文附註(d))	110,179	103,824
Share of taxation of associates (included in share of results of associates)	攤佔聯營公司之稅項 (包括於攤佔聯營公司業績)	5,040	16,314
and after crediting:	並已計入：		
Exchange gain	匯兌收益	8,946	1,328

Notes:

附註：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
(a) Impairment loss recognised in respect of:	(a) 已確認減值虧損如下：		
Trade debtors	應收貿易賬款	134	109
Other debtors	其他應收賬款	100	318
		234	427

13. PROFIT FOR THE YEAR (continued)

Notes: (continued)

13. 年度溢利 (續)

附註：(續)

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
(b) Depreciation of property, plant and equipment:	(b) 物業、機械及設備之折舊：		
Owned assets	自置資產	10,878	8,520
Less: Amount capitalised in respect of contracts in progress	減：撥充在建合約工程資本之數額	(2,208)	(1,491)
		8,670	7,029
(c) Operating lease rentals in respect of:	(c) 經營租約租金：		
Premises	物業	17,623	11,476
Plant and machinery	機械及機器	45,897	10,926
		63,520	22,402
Less: Amount capitalised in respect of contracts in progress	減：撥充在建合約工程資本之數額	(46,060)	(10,707)
		17,460	11,695
(d) Staff costs:	(d) 員工支出：		
Directors' emoluments (note 11)	董事酬金 (附註11)	7,720	9,137
Other staff costs:	其他員工支出：		
Salaries and other benefits	薪酬及其他福利	338,868	288,611
Retirement benefit scheme contributions, net of forfeited contributions of HK\$906,000 (2007: HK\$1,808,000)	退休福利計劃供款 (扣除已沒收之供款906,000港元 (二零零七年：1,808,000港元))	14,496	8,737
Share award payment expenses	以股份獎勵之付款之開支	675	—
Share-based payment expenses	以股份為基礎付款之開支	3,726	144
		365,485	306,629
Less: Amount capitalised in respect of contracts in progress	減：撥充在建合約工程資本之數額	(255,306)	(202,805)
		110,179	103,824

14. DIVIDENDS

14. 股息

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Dividends recognised as distributions to equity holders of the Company during the current year:	於年內確認為向本公司之權益持有人分派之股息：		
Interim dividend paid for 2008 – 3.5 HK cents (2007: 3.5 HK cents) per share	已派二零零八年中期股息 – 每股3.5港仙 (二零零七年：3.5港仙)	20,843	20,395
Final dividend paid for 2007 – 5.5 HK cents (2006: 5.0 HK cents) per share	已派二零零七年末期股息 – 每股5.5港仙 (二零零六年：5.0港仙)	32,538	29,098
		53,381	49,493
Dividends proposed:	擬派股息：		
Final dividend proposed for 2008 – 5.5 HK cents (2007: 5.5 HK cents) per share	擬派二零零八年末期股息 – 每股5.5港仙 (二零零七年：5.5港仙)	33,072	32,428

Of the dividends paid during the year, approximately HK\$5,085,000 (2007: HK\$638,000) and HK\$648,000 (2007: HK\$4,834,000) were settled in shares under the Company's scrip dividend schemes announced by the directors of the Company on 20 July 2007 and 14 December 2007, respectively, and were credited to the accumulated profits of the Company during the year.

The amount of the final dividend proposed for the year ended 31 March 2008, which will be in scrip form with a cash option, has been calculated by reference to the 601,312,066 issued shares as at the date of this report.

年內所派股息中約有5,085,000港元(二零零七年：638,000港元)及648,000港元(二零零七年：4,834,000港元)乃根據本公司董事分別於二零零七年七月二十日及二零零七年十二月十四日公佈之本公司以股代息計劃以股份支付。此數額已於年內撥入本公司累計溢利。

截至二零零八年三月三十一日止年度建議之以股代息連同現金選擇權之末期股息數額乃參照本年報日期601,312,066股已發行股份計算。

15. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the equity holders of the Company is based on the following data:

15. 每股盈利

本公司權益持有人應佔之每股基本及攤薄盈利乃根據下列數據計算：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Profit for the year attributable to equity holders of the Company and earnings for the purposes of basic and diluted earnings per share	計算每股基本及攤薄盈利之本公司權益持有人應佔年度溢利	119,479	112,621
Weighted average number of ordinary shares for the purposes of basic earnings per share	計算每股基本盈利之普通股加權平均數	592,827,841	583,110,679
Effect of dilutive potential ordinary shares: Share options	對普通股之潛在攤薄影響： 購股權	3,185,554	612,936
Weighted average number of ordinary shares for the purposes of diluted earnings per share	計算每股攤薄盈利之普通股加權平均數	596,013,395	583,723,615

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、機械及設備

		Buildings	Plant and machinery	Motor vehicles	Furniture, fixtures and computer equipment 傢具、裝置及電腦設備	Total
		樓宇 HK\$'000 千港元	機械及機器 HK\$'000 千港元	汽車 HK\$'000 千港元	HK\$'000 千港元	總額 HK\$'000 千港元
COST	成本					
At 1 April 2006	於二零零六年四月一日	759	55,129	17,093	33,840	106,821
Translation adjustment	匯兌調整	32	1	14	20	67
Additions	添置	–	13,062	5,071	4,760	22,893
Disposals	出售	(791)	(9,106)	(1,549)	(912)	(12,358)
At 31 March 2007	於二零零七年三月三十一日	–	59,086	20,629	37,708	117,423
Translation adjustment	匯兌調整	–	–	331	104	435
Additions	添置	–	3,186	1,420	3,894	8,500
Disposals	出售	–	(964)	(1,175)	(612)	(2,751)
At 31 March 2008	於二零零八年三月三十一日	–	61,308	21,205	41,094	123,607
DEPRECIATION	折舊					
At 1 April 2006	於二零零六年四月一日	195	40,111	14,637	29,041	83,984
Translation adjustment	匯兌調整	9	–	7	12	28
Provided for the year	本年度撥備	19	5,076	983	2,442	8,520
Eliminated on disposals	出售後對銷	(223)	(8,051)	(1,201)	(824)	(10,299)
At 31 March 2007	於二零零七年三月三十一日	–	37,136	14,426	30,671	82,233
Translation adjustment	匯兌調整	–	–	60	33	93
Provided for the year	本年度撥備	–	5,945	1,736	3,197	10,878
Eliminated on disposals	出售後對銷	–	(911)	(1,175)	(572)	(2,658)
At 31 March 2008	於二零零八年三月三十一日	–	42,170	15,047	33,329	90,546
CARRYING VALUES	賬面值					
At 31 March 2008	於二零零八年三月三十一日	–	19,138	6,158	7,765	33,061
At 31 March 2007	於二零零七年三月三十一日	–	21,950	6,203	7,037	35,190

16. PROPERTY, PLANT AND EQUIPMENT (continued)

The buildings were held under medium-term land use rights in the PRC.

The above items of property, plant and equipment are depreciated on a straight line basis at the following rates per annum:

Buildings	Over the lease term of the land on which the buildings are located or fifty years, whichever is shorter
Plant and machinery	10%
Motor vehicles	20%
Furniture and fixtures	20%
Computer equipment	33 $\frac{1}{3}$ %

16. 物業、機械及設備 (續)

樓宇位於中國而以中期土地使用權持有。

上述物業、機械及設備乃以直線法按下列年率計算折舊：

樓宇	按樓宇所在土地之租期或五十年，以較短者為準
機械及機器	10%
汽車	20%
傢具及裝置	20%
電腦設備	33 $\frac{1}{3}$ %

17. PREPAID LAND LEASE PAYMENTS

The Group's prepaid land lease payments represent leasehold interest in land in Hong Kong held under medium-term leases and are analysed for reporting purposes as follows:

17. 預付土地租賃款項

本集團之預付土地租賃款項指位於香港之中期租約土地，就呈報目的而分析如下：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Non-current assets	非流動資產	21,986	22,561
Current assets	流動資產	575	575
		22,561	23,136

18. GOODWILL

18. 商譽

HK\$'000

千港元

COST	成本值	
At 1 April 2006 and 31 March 2007	於二零零六年四月一日及 二零零七年三月三十一日	61,646
Arising on acquisition of subsidiaries	因收購附屬公司而產生	2,323
At 31 March 2008	於二零零八年三月三十一日	63,969
AMORTISATION AND IMPAIRMENT	攤銷及減值	
At 1 April 2006, 31 March 2007 and 2008	於二零零六年四月一日、 二零零七年及二零零八年三月三十一日	—
CARRYING VALUES	賬面值	
At 31 March 2008	於二零零八年三月三十一日	63,969
At 31 March 2007	於二零零七年三月三十一日	61,646

For the purpose of impairment testing, the carrying amount of goodwill at 31 March 2008 has been allocated to the management contracting and property development management's cash generating units ("CGUs").

The recoverable amount of the above CGUs has been determined based on value in use calculations. The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management for the next two years and extrapolates cash flows for the following five years with a steady growth rate of 5%. The rate used to discount the forecast cash flows is 9%. The value in use calculations is calculated based on the budgeted gross margin, which is determined using the unit's past performance and management's expectations for the market development.

為減值測試之目的，於二零零八年三月三十一日之商譽賬面值已撥入承建管理及物業發展管理產生現金單位（「產現單位」）。

產現單位之可收回價值額乃基於其使用中價值計算。本集團所編製之現金流預測乃來自管理人員最近審批就未來兩年之財政預算，並以穩定增長率5%推算其後五年之現金流量。用以貼現預測現金流之比率則為9%。使用中價值乃按預算毛利計算，而預算毛利則按該單位之過往表現及管理人員對市場發展之期望而釐定。

19. OTHER INTANGIBLE ASSETS

19. 其他無形資產

2008 & 2007

HK\$'000

千港元

Other intangible assets comprise:

其他無形資產包括：

Club membership in Hong Kong, at cost	香港之會所會籍，按成本值	7,000
Motor vehicle registration marks, at cost	汽車登記號碼，按成本值	240
		7,240

The above intangible assets have indefinite useful lives. The directors are of the opinion that the club membership and motor vehicle registration marks worth at least their carrying amounts by reference to latest market prices.

上述無形資產具不確定的使用壽命。董事認為，會所會籍及汽車登記號碼之價值至少為經參考最新市場價格後之賬面值。

20. INTERESTS IN ASSOCIATES

20. 聯營公司權益

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Cost of unlisted investments in associates	聯營公司非上市證券投資之成本	54,626	34,373
Share of post-acquisition reserves, net of dividends received	攤佔收購後儲備，扣除已收取股息	15,780	74,582
		70,406	108,955

20. INTERESTS IN ASSOCIATES (continued)

The combined summarised financial information in respect of the Group's associates is set out below:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Total assets	總資產	444,357	343,070
Total liabilities	總負債	(258,084)	(94,349)
Net assets	資產淨值	186,273	248,721
Group's share of net assets of associates	本集團攤佔聯營公司資產淨值	70,406	108,955
Turnover	營業額	890,943	26,513
Profit for the year	年度溢利	72,784	147,994
Group's share of profit of associates for the year	本集團攤佔聯營公司之年度溢利	29,118	73,832

Particulars of the Group's principal associates at 31 March 2008 are set out in note 43(b).

20. 聯營公司權益(續)

本集團聯營公司之相關合併財務資料概要列載如下：

本集團各主要聯營公司於二零零八年三月三十一日之詳情載列於附註43(b)。

21. INTERESTS IN JOINTLY CONTROLLED ENTITIES 21. 共同控制機構權益

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Cost of unlisted investments in jointly controlled entities	共同控制機構非上市證券投資之成本	—	—
Share of post-acquisition reserves, net of dividends received	攤佔收購後儲備，扣除已收取股息	1,987	1,928
		1,987	1,928

The combined summarised financial information in respect of the Group's jointly controlled entities is set out below:

本集團共同控制機構之相關合併財務資料概要列載如下：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Total assets	總資產	11,279	11,437
Total liabilities	總負債	(7,305)	(7,580)
Net assets	資產淨值	3,974	3,857
Group's share of net assets of jointly controlled entities	本集團攤佔共同控制機構資產淨值	1,987	1,928
Turnover	營業額	—	7,798
Profit (loss) for the year	年度溢利(虧損)	117	(1,283)
Group's share of profit (loss) of jointly controlled entities	本集團攤佔共同控制機構之溢利(虧損)	59	(642)

Particulars of the Group's principal jointly controlled entity at 31 March 2008 are set out in note 43(c).

本集團各主要共同控制機構於二零零八年三月三十一日之詳情載列於附註43(c)。

22. AVAILABLE-FOR-SALE INVESTMENTS**22. 可供出售之投資**

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Equity securities listed in Hong Kong, at fair value	香港上市之股本證券， 按公平值	343	732

23. DEFERRED CONSIDERATION RECEIVABLE**23. 應收遞延代價**

During the year ended 31 March 2006, the Group disposed of two subsidiaries, namely Unicon Concrete Products (HK) Limited and Hamker Concrete Products Limited, which were engaged in the manufacturing and trading of concrete products. The consideration for the disposal was HK\$19,000,000 which will be settled in cash by the purchaser on or before October 2009.

於截至二零零六年三月三十一日止年度內，本集團已出售兩家從事混凝土產品產銷之附屬公司預力剛混凝土製品（香港）有限公司及恆加混凝土製品有限公司。出售代價為19,000,000港元，將由買方於二零零九年十月或之前以現金支付。

As part of the consideration for the above disposal of the subsidiaries, a deferred consideration of HK\$15,000,000 is to be settled in cash by the purchaser under four annual installments commencing from 30 October 2006. The fair value of the deferred consideration at date of initial recognition is determined based on the estimated future cash flows discounted at 3% per annum. The amount is unsecured and interest free. The carrying amounts are analysed for reporting purposes as follows:

作為上述出售附屬公司代價之一部份，遞延代價15,000,000港元將由買方自二零零六年十月三十日起按年分四期以現金結清。遞延代價於初步確認日期之公平值按估計未來現金流按年率3%貼現而釐定。有關款項乃為無抵押及免息。就呈報目的而分析之賬面值如下：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Non-current assets	非流動資產	2,863	6,597
Current assets (included in debtors, deposits and prepayments)	流動資產（已計入應收賬款、 訂金及預付款項）	7,932	3,932
		10,795	10,529

24. AMOUNTS DUE FROM (TO) CUSTOMERS FOR CONTRACT WORKS

24. 應收(付)客戶合約工程款項

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Contracts in progress at the balance sheet date:	於結算日之 在建工程：		
Contract costs incurred to date	現時已支出之工程費用	47,493,394	43,566,229
Recognised profits less recognised losses	經確認溢利減 經確認虧損	1,336,681	1,217,200
		48,830,075	44,783,429
Less: Progress billings	減：進度付款	(49,432,928)	(45,598,340)
		(602,853)	(814,911)
Represented by:	其中包含：		
Amounts due from customers for contract works	應收客戶合約 工程款項	201,589	223,637
Amounts due to customers for contract works	應付客戶合約 工程款項	(804,442)	(1,038,548)
		(602,853)	(814,911)

25. DEBTORS, DEPOSITS AND PREPAYMENTS

The Group's credit terms for its management contracting business are negotiated at terms determined and agreed with its trade customers. The average credit periods are ranging from 60 days to 90 days.

Included in debtors, deposits and prepayments are trade debtors, net of allowance for doubtful debts, of approximately HK\$723,707,000 (2007: HK\$774,864,000) and their aged analysis is as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Within 90 days	90日內	664,994	710,344
More than 90 days and within 180 days	超過90日 但於180日內	89	15,521
More than 180 days	超過180日	58,624	48,999
		723,707	774,864

At 31 March 2008, retentions held by customers for contract works amounting to approximately HK\$511,560,000 (2007: HK\$477,403,000) were included in debtors, deposits and prepayments, of which approximately HK\$249,651,000 (2007: HK\$239,707,000) are expected to be recovered or settled in more than twelve months from the balance sheet date.

The Group maintains a defined credit policy to assess the credit quality of the trade customers. The collection is closely monitored to minimise any credit risk associated with these trade debtors.

25. 應收賬款、訂金及預付款項

本集團承建管理業務之信貸期乃與貿易客戶磋商及訂立。平均信貸期乃60日至90日不等。

應收賬款、訂金及預付款項已計入約723,707,000港元(二零零七年: 774,864,000港元)之經扣減壞賬準備後之應收貿易賬款, 而其賬齡分析如下:

於二零零八年三月三十一日, 已計入應收賬款、訂金及預付款項內之合約工程客戶持有之保固金約為511,560,000港元(二零零七年: 477,403,000港元), 其中約249,651,000港元(二零零七年: 239,707,000港元)預期將於結算日起超過十二個月後償清或結清。

本集團奉行界定信貸政策以評估貿易客戶之信貸質量。收款工作被密切監控以盡量降低任何與該等貿易應收賬款相關之信貸風險。

25. DEBTORS, DEPOSITS AND PREPAYMENTS (continued)

Movement in allowance for doubtful debts of individually impaired trade debtors during the year are as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Balance at beginning of the year	年初結餘	3,662	15,076
Impairment losses recognised during the year	年內已確認減值虧損	134	104
Amounts written off as uncollectible	不可收回之撇銷款項	(2,068)	(11,518)
Balance at end of the year	年末結餘	1,728	3,662

The aged analysis of the trade debtors which are past due but not impaired is as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Within 90 days	90日內	1,833	7,911
More than 90 days and within 180 days	超過90日但於180日內	89	15,521
More than 180 days	超過180日	58,624	48,999
		60,546	72,431

The directors of the Company consider that there has not been a significant change in credit quality of the trade debtors and there is no recent history of default, therefore the amounts are considered recoverable. The Group does not hold any collateral over these balances.

25. 應收賬款、訂金及預付款項(續)

年內，個別已減值貿易應收賬款之呆賬撥備變動情況如下：

已過期但未減值之貿易應收賬款之賬齡分析如下：

本公司董事認為，貿易應收賬款之信貸質量無重大變動且無近期拖欠記錄，因此認為款項可收回。本集團就該等結餘未持有任何抵押品。

25. DEBTORS, DEPOSITS AND PREPAYMENTS (continued)

Included in debtors, deposits and prepayments is an amount of approximately HK\$222,722,000 (2007: HK\$176,753,000) which mainly represents advances made to an independent third party in previous years. The amount has no fixed repayment terms and carries floating-rate interest at the benchmark lending rate as announced by the People's Bank of China plus 8% per annum which is approximately of 15.5% (2007: 14.4%) per annum during the year and is secured by properties interest in the PRC. Fair value of the relevant properties interest as at 31 March 2008 is approximately RMB422,752,000 (2007: RMB326,672,000) according to a valuation report issued by an independent property valuer. In the opinion of the directors, the amount will be recovered in the next twelve months from the balance sheet date.

26. AMOUNTS DUE FROM (TO) RELATED COMPANIES

		Due from 應收		Due to 應付	
		2008 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Associate of ITC Corporation Limited ("ITC")	德祥企業集團有限公司 (「德祥企業」) 之聯營公司	1	8	—	2,906
ITC and its subsidiaries	德祥企業及其附屬公司	—	318	33	—
Parona Limited	Parona Limited	—	106	—	—
		1	432	33	2,906

ITC is a substantial shareholder of PYI. Parona Limited was a shareholder of an associate, in which certain close family members of a director of PYI had an equity interest as at 31 March 2007.

The amounts are unsecured, interest free and repayable on demand.

25. 應收賬款、訂金及預付款項 (續)

計入應收賬款、訂金及預付款項乃約為222,722,000港元(二零零七年:176,753,000港元)之款項,主要是指於往年預付予獨立第三方之墊款。該款項無固定還款期且按中國人民銀行不時公佈之貸款基準利率加8%年利率(年內之年利率約為15.5%(二零零七年:14.4%))計算,並以在中國之物業權益作為抵押。根據獨立物業估值師發出之估值報告,相關物業權益於二零零八年三月三十一日之公平值約為人民幣422,752,000元(二零零七年:人民幣326,672,000元)。董事認為,該款項將可於結算日後十二個月內收回。

26. 應收(付)關連公司款項

德祥企業為PYI之主要股東。Parona Limited為一間聯營公司之股東,而PYI一名董事若干近親於二零零七年三月三十一日於該公司擁有股本權益。

有關款項為無抵押、免息及須於要求時償還。

27. AMOUNTS DUE FROM (TO) ASSOCIATES/ A JOINTLY CONTROLLED ENTITY/FELLOW SUBSIDIARIES/MINORITY SHAREHOLDERS

The amounts are unsecured, interest free and repayable on demand.

28. LOAN RECEIVABLE

The amount was receivable from a shareholder of an associate of the Group and was secured by shares in that associate, interest free and repayable on demand as at 31 March 2007 (2008: Nil).

29. LOAN TO A RELATED COMPANY

The amount represented loan to Parona Limited. The loan was secured by shares in the associate held by Parona Limited, interest free and repayable on demand as at 31 March 2007 (2008: Nil).

30. PLEDGED BANK DEPOSITS, SHORT TERM BANK DEPOSITS AND BANK BALANCES

The pledged bank deposits represent deposits pledged to banks to secure general banking facilities granted to the Group with maturity within one year of the balance sheet date and are therefore classified as current assets.

The pledged bank deposits and short term bank deposits are with maturity date of less than three months and carry floating interest rates ranging from 0.75% to 2.15% (2007: 2.5% to 4.5%) per annum. The bank balances carry prevailing market rate ranging from 0% to 0.86% (2007: 0% to 2.75%) per annum.

27. 應收(付)聯營公司／一間共同控制機構 ／同系附屬公司／少數股東款項

有關款項為無抵押、免息及須於要求時償還。

28. 應收貸款

該款額為應收本集團一間聯營公司某股東款項並以有關股東於該聯營公司所持有之股份作抵押，於二零零七年三月三十一日為免息並須於要求時償還(二零零八年：無)。

29. 貸予一間關連公司之貸款

有關款額代表貸予Parona Limited之貸款。有關貸款以Parona Limited於該聯營公司所持有之股份作抵押，於二零零七年三月三十一日為免息並須於要求時償還(二零零八年：無)。

30. 已抵押銀行存款、短期銀行存款及銀行結餘

已抵押銀行存款指為擔保授予本集團之一般銀行信貸而抵押予銀行之存款，到期日為結算日起一年內，因而被列作流動資產。

已抵押銀行存款及短期銀行存款到期日均少於三個月且附帶每年由0.75%至2.15%(二零零七年：2.5%至4.5%)之浮動利率。銀行結餘附帶現行市場利率每年由0%至0.86%(二零零七年：0%至2.75%)。

31. CREDITORS AND ACCRUED EXPENSES

Included in creditors and accrued expenses are trade creditors of approximately HK\$464,942,000 (2007: HK\$343,690,000) and their aged analysis is as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Within 90 days	90日內	444,549	325,921
More than 90 days and within 180 days	超過90日 但於180日內	7,362	4,184
More than 180 days	超過180日	13,031	13,585
		464,942	343,690

The average credit period on purchases of goods are ranging from 60 days to 90 days. The Group has financial risk management policies in place to ensure that all payables within the credit timeframe.

At 31 March 2008, retentions held by the Group for contract works amounting to approximately HK\$392,298,000 (2007: HK\$320,800,000) were included in creditors and accrued expenses, of which HK\$124,995,000 (2007: HK\$159,488,000) are expected to be paid or settled after more than twelve months from the balance sheet date.

31. 應付賬款及應計開支

應付賬款及應計開支已計入約464,942,000港元（二零零七年：343,690,000港元）之應付貿易賬款，而其賬齡分析如下：

採購商品之平均信貸期為60日至90日不等。本集團採納金融風險管理政策，以確保該等應付賬款按期支付。

於二零零八年三月三十一日，已計入應付賬款及應計開支內本集團所持有之合約工程保固金約為392,298,000港元（二零零七年：320,800,000港元），其中124,995,000港元（二零零七年：159,488,000港元）預期將於結算日起計超過十二個月後支付或結清。

32. BANK BORROWINGS

32. 銀行借款

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Bank borrowings comprise:	銀行借款包括：		
Bank loans	銀行貸款	203,662	205,473
Bank overdrafts	銀行透支	—	20,432
		203,662	225,905
Analysed as:	分析為：		
Secured	有抵押	40,758	97,493
Unsecured	無抵押	162,904	128,412
		203,662	225,905

The bank borrowings are repayable as follows:

銀行借款之償還期分別如下：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Within one year or on demand	一年內到期或按通知償還	197,715	174,407
More than one year, but not exceeding two years	超過一年，但不超過兩年	1,551	45,551
More than two years, but not exceeding five years	超過兩年，但不超過五年	4,396	4,654
More than five years	超過五年	—	1,293
		203,662	225,905
Less: Amount due within one year or on demand shown under current liabilities	減：一年內到期或按通知償還及列作流動負債之款項	(197,715)	(174,407)
Amount due after one year	一年後到期之款項	5,947	51,498

The Group's bank borrowings carry floating-rate interest from HIBOR plus 0.6% to the benchmark lending rate as announced by the People's Bank of China from time to time, ranging from 2.29% to 7.47% (2007: 4.67% to 7.75%) per annum.

本集團之銀行借款之浮動利率以香港銀行同業拆出息率加0.6%至按中國人民銀行不時公佈之貸款基準利率計息，年息介乎2.29%至7.47%（二零零七年：4.67%至7.75%）。

32. BANK BORROWINGS (continued)

The secured bank loans are secured by the Group's bank deposits of approximately HK\$34,269,000 (2007: HK\$42,601,000), property, plant and equipment with carrying value of approximately HK\$9,325,000 (2007: HK\$10,411,000) and charges over the Group's benefit from certain construction contracts.

33. DEFERRED TAXATION

The following are the major deferred tax (assets) liabilities recognised and movements thereon during the current and prior years:

32. 銀行借款 (續)

銀行貸款乃以本集團之銀行存款約34,269,000港元(二零零七年: 42,601,000港元)、賬面值約9,325,000港元(二零零七年: 10,411,000港元)之物業、機械及設備以及本集團若干建築合約產生之利益作抵押。

33. 遞延稅項

於本年度及以往年度已確認之主要遞延稅項(資產)負債以及相關變動如下:

		Accelerated tax depreciation 加速 折舊稅務 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Recognition of contracting income 合約工程 收入確認 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2006 (Credit) charge to consolidated income statement	於二零零六年四月一日 於綜合收益表 (計入) 扣除	3,813	(1,957)	(1,856)	—
		1,377	(2,146)	769	—
At 31 March 2007 (Credit) charge to consolidated income statement	於二零零七年三月三十一日 於綜合收益表 (計入) 扣除	5,190	(4,103)	(1,087)	—
		(124)	(150)	274	—
At 31 March 2008	於二零零八年三月三十一日	5,066	(4,253)	(813)	—

For the purpose of balance sheet presentation, the above deferred tax assets and liabilities have been offset.

At 31 March 2008, the Group had unused tax losses of approximately HK\$435,180,000 (2007: HK\$601,024,000) available for offset against future taxable profits. A deferred tax asset has been recognised in respect of approximately HK\$24,303,000 (2007: HK\$23,444,000) of such losses. No deferred tax asset in respect of the remaining tax losses has been recognised due to the unpredictability of future profit streams. The unused tax losses may be carried forward indefinitely.

為方便資產負債表呈列，上述遞延稅項資產及負債已予抵銷。

於二零零八年三月三十一日，本集團有未動用稅務虧損約435,180,000港元(二零零七年: 601,024,000港元)可用以抵銷未來應課稅溢利。就上述虧損已確認遞延稅項資產約24,303,000港元(二零零七年: 23,444,000港元)。由於未能確定未來溢利來源，故本集團並無就其餘稅務虧損確認遞延稅項資產。未動用稅務虧損可予無限期結轉。

34. SHARE CAPITAL

34. 股本

		Number of shares 股份數目	Amount 款額 HK\$'000 千港元
Ordinary shares of HK\$0.50 each:	每股面值0.50港元之普通股：		
Authorised:	法定：		
At 1 April 2006, 31 March 2007 and 31 March 2008	於二零零六年四月一日、二零零七年 三月三十一日及二零零八年三月三十一日	1,000,000,000	500,000
Issued and fully paid:	已發行及繳足：		
At 1 April 2006	於二零零六年四月一日	581,958,779	290,979
Issue of new shares pursuant to scrip dividend schemes	根據以股代息計劃 發行新股	6,140,330	3,071
Issue of new shares under share option scheme	根據購股權計劃 發行新股	1,500,000	750
At 31 March 2007	於二零零七年三月三十一日	589,599,109	294,800
Issue of new shares pursuant to scrip dividend schemes	根據以股代息計劃 發行新股	4,412,957	2,206
Issue of new shares under share option scheme	根據購股權計劃 發行新股	3,286,000	1,643
At 31 March 2008	於二零零八年三月三十一日	597,298,066	298,649

During the year, the following changes in the Company's share capital took place:

年內，本公司股本曾有以下變動：

- (a) Pursuant to the scrip dividend schemes which were announced by the Company on 20 July 2007 and 14 December 2007, the Company issued 3,925,923 (2007: 746,600) and 487,034 (2007: 5,393,730) new ordinary shares of HK\$0.50 each in the Company on 15 October 2007 and 4 February 2008 respectively to shareholders who elected to receive scrip dividends in respect of the final dividend for the year ended 31 March 2007 and the interim dividend for the six months ended 30 September 2007, respectively. The scrip price under the scrip dividend schemes were fixed by reference to the then market prices.

- (a) 根據本公司於二零零七年七月二十日及二零零七年十二月十四日公佈之以股代息計劃，本公司於二零零七年十月十五日及二零零八年二月四日分別發行3,925,923股（二零零七年：746,600股）及487,034股（二零零七年：5,393,730股）每股面值0.50港元之本公司新普通股予選擇收取股份以代替截至二零零七年三月三十一日止年度末期股息，及截至二零零七年九月三十日止六個月中期股息之股東。以股代息計劃下之代息價格乃參考當時市場價格釐定。

34. SHARE CAPITAL (continued)

- (b) During the year, the Company issued 3,286,000 new ordinary shares of HK\$0.50 each in the Company at an exercise price of HK\$0.70 per share (for 1,000,000 shares), HK\$0.85 per share (for 1,000,000 shares) and HK\$1.00 per share (for 1,286,000 shares), upon the exercise of share options of the Company.

All the new ordinary shares issued by the Company during both years ranked pari passu with the then existing shares of the Company in all respects.

35. SHARE-BASED PAYMENT TRANSACTIONS

(a) Share option scheme of the Company

On 7 September 2005, the Company adopted a share option scheme (the "Scheme") for the purpose of providing incentive or reward to any employees, executives or directors of the Group or any invested entity and any consultant, adviser or agent of any member of the Group or any invested entity, who have contributed or will contribute to the growth and development of the Group or any invested entity ("Eligible Person"). The Scheme will remain in force for a period of ten years from that date.

Under the Scheme, the directors of the Company may at their discretion grant options to any Eligible Person to subscribe for shares in the Company. Consideration to be paid on each grant of option is HK\$1.00. The directors of the Company may at their discretion determine the specific exercise period which should expire in any event no later than ten years from date of adoption of the Scheme. The exercise price is determined by the directors of the Company and will be at least the higher of: (i) the subscription price as is permissible under Listing Rules from time to time; and (ii) the nominal value of the shares of the Company.

34. 股本 (續)

- (b) 年內，本公司因行使本公司購股權而按行使價每股0.70港元(涉及1,000,000股)，每股0.85港元(涉及1,000,000股)及每股1.00港元(涉及1,286,000股)分別發行合共3,286,000股每股面值0.50港元之本公司新普通股。

該兩年內本公司發行之所有新普通股在各方面與本公司當時已有股份具相同地位。

35. 以股份為基礎付款之交易

(a) 本公司之購股權計劃

於二零零五年九月七日，本公司採納一項購股權計劃(「購股權計劃」)，以向對或將會對本集團或任何投資機構作出貢獻之本集團或任何投資機構之任何僱員、行政人員或董事或任何投資機構及本集團任何成員公司或任何投資機構之顧問、諮詢人或代理(「合資格人士」)提供激勵或報酬。購股權計劃將自該日起維持有效十年。

根據購股權計劃，本公司董事可酌情向任何合資格人士授出購股權，每批接納授出之購股權需支付1.00港元之代價。本公司董事可酌情釐定行使期限，惟在任何情況下，上述行使期限不得超過自購股權計劃獲採納當日起計十年。行使價由本公司董事以下列較高者而釐定：至少為(i)根據上市規則不時允許之認購價；及(ii)本公司股份之面值。

35. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(a) Share option scheme of the Company (continued)

The maximum number of shares that may initially be issued upon the exercise of all options to be granted under the Scheme and any other share option scheme(s) adopted by the Company must not in aggregate exceed 10% of the total number of issued shares of the Company as at its adoption date, i.e. 57,669,939 shares of the Company. Subject to the approval of the shareholders of the Company in general meeting, the limit may be refreshed to 10% of the total number of shares of the Company in issue as at the date of approval by the shareholders of the Company in general meeting. Notwithstanding the forgoing, the maximum number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 30% of the total number of shares of the Company in issue from time to time. Pursuant to an ordinary resolution passed at the Company's annual general meeting held on 4 September 2007, the 10% scheme limit was refreshed to 59,159,910, representing 10% of the total number of issued shares of the Company as at the date of such meeting.

The maximum number of shares of the Company in respect of which options may be granted to each Eligible Person under the Scheme and any other share option scheme(s) of the Company (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares of the Company in issue from time to time unless such grant has been duly approved by shareholders of the Company at general meeting at which the Eligible Person and his associate (as defined in the Listing Rules) abstained from voting. Options granted to a substantial shareholder and/or an independent non-executive director of the Company or any of their respective associates (as defined in the Listing Rules) in any 12-month period in excess of 0.1% of the total number of shares of the Company in issue and have an aggregate value exceeding HK\$5 million must be approved by the shareholders of the Company at general meeting in advance.

35. 以股份為基礎付款之交易 (續)

(a) 本公司之購股權計劃 (續)

根據購股權計劃及本公司所採納任何其他購股權計劃可予授出之購股權可認購最多之股份總數，合共不得超過本公司於採納日期已發行股份總數之10%，即57,669,939股。如獲得本公司股東在股東大會上批准，該限額可更新為本公司股東在股東大會上批准當日已發行股份總數之10%。儘管如此，已根據購股權計劃或本公司任何其他購股權計劃授出但尚未行使其所有購股權獲行使時可予發行之股份總數，合共最多不得超過不時已發行股份總數之30%。根據二零零七年九月四日舉行之本公司股東週年大會上通過之普通決議案，此10%計劃限額更新為59,159,910股，佔於該大會日期本公司已發行股份總數之10%。

於任何十二個月期間，根據購股權計劃及本公司任何其他購股權計劃可授予任何合資格人士之購股權（包括已行使、已註銷及未行使購股權）所涉及之本公司股份數目，最多不得超過本公司不時已發行股份總數之1%，除非此項批授事宜已在合資格人士及其聯繫人士（定義見上市規則）放棄投票之股東大會上獲得本公司股東正式批准，則不受此限。於任何十二個月期間內向本公司每位主要股東及／或獨立非執行董事或彼等各自之任何聯繫人士（定義見上市規則）授出購股權時，若所授出購股權所涉及之股份超過本公司已發行總數之0.1%及總值超過5,000,000港元，則事先必須獲得本公司股東在股東大會上批准。

35. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(a) Share option scheme of the Company (continued)

Details of movements in share options of the Company granted under the Scheme during the current and prior years are as follows:

				Number of shares of the Company to be issued upon exercise of the share options 因購股權獲行使時將予發行之本公司股份數目									
Category	Date of grant	Vesting date	Exercise period	Exercise price per share	Out- standing at 1.4.2006 於二零零六年 四月一日 尚未行使 HK\$ 港元	Granted during the year	Exercised during the year	Lapsed during the year	Out- standing at 31.3.2007 於二零零七年 三月三十一日 尚未行使	Granted during the year	Exercised during the year	Lapsed during the year	Out- standing at 31.3.2008 於二零零八年 三月三十一日 尚未行使
類別	授出日期	歸屬日期	行使期	每股行使價	尚未行使	年內授出	年內行使	年內失效	尚未行使	年內授出	年內行使	年內失效	尚未行使
Type I 第I類	3.2.2006	3.2.2006	3.2.2006 – 6.9.2015	0.70	1,500,000	-	-	-	1,500,000	-	(1,000,000)	-	500,000
Type II 第II類	3.2.2006	1.1.2007	1.1.2007 – 6.9.2015	0.85	1,500,000	-	-	-	1,500,000	-	(1,000,000)	-	500,000
Type III 第III類	3.2.2006	1.1.2008	1.1.2008 – 6.9.2015	1.00	1,500,000	-	-	-	1,500,000	-	-	(1,000,000)	500,000
Type IV 第IV類	9.2.2006	9.2.2008	9.2.2008 – 8.2.2009	0.90	8,000,000	-	-	(2,400,000)	5,600,000	-	-	(2,800,000)	2,800,000
Type V 第V類	13.7.2006	13.7.2006	13.7.2006 – 12.7.2008	1.00	-	3,000,000	(1,500,000)	-	1,500,000	-	(1,286,000)	-	214,000
Type VI 第VI類	13.7.2006	13.7.2007	13.7.2007 – 12.7.2009	1.00	-	3,000,000	-	-	3,000,000	-	-	(1,500,000)	1,500,000
Type VII 第VII類	13.7.2006	13.7.2008	13.7.2008 – 12.7.2009	1.00	-	2,000,000	-	-	2,000,000	-	-	-	2,000,000
Type VIII 第VIII類	30.5.2007	1.7.2007	1.7.2007 – 30.6.2008	1.34	-	-	-	-	-	1,500,000	-	-	1,500,000
Type IX 第IX類	30.5.2007	1.7.2008	1.7.2008 – 30.6.2009	1.34	-	-	-	-	-	1,500,000	-	-	1,500,000
Type X 第X類	30.5.2007	9.2.2008	9.2.2008 – 8.2.2009	1.34	-	-	-	-	-	13,000,000	-	(1,700,000)	11,300,000
Type XI 第XI類	8.6.2007	1.7.2007	1.7.2007 – 30.6.2009	1.36	-	-	-	-	-	2,000,000	-	-	2,000,000
Type XII 第XII類	28.12.2007	1.6.2008	1.6.2008 – 31.5.2009	1.40	-	-	-	-	-	1,000,000	-	-	1,000,000
Type XIII 第XIII類	28.12.2007	1.9.2008	1.9.2008 – 31.8.2009	1.40	-	-	-	-	-	600,000	-	-	600,000
					12,500,000	8,000,000	(1,500,000)	(2,400,000)	16,600,000	19,600,000	(3,286,000)	(7,000,000)	25,914,000
Exercisable at the end of the year 年底時可予行使													20,814,000

35. 以股份為基礎付款之交易 (續)

(a) 本公司之購股權計劃 (續)

本年及往年，根據購股權計劃授出之本公司購股權變動詳情如下：

35. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(a) Share option scheme of the Company (continued)

No options were cancelled during the year.

In respect of the 3,286,000 share options exercised during the year, the weighted average share price at the date of exercise is HK\$1.30 (2007: HK\$1.17).

The fair values of the share options granted during the current and prior years were calculated using the Black-Scholes Option Pricing Model (the "Model") carried out by Greater China Appraisal Limited and RHL Appraisal Limited respectively, independent valuers with no connection with the Group. The inputs into the Model and the estimated fair values of the share options granted on 30 May 2007, 8 June 2007 and 28 December 2007 were summarised as follows:

		Granted on 30 May 2007 於二零零七年 五月三十日授出			Granted on 8 June 2007 於二零零七年 六月八日授出		Granted on 28 December 2007 於二零零七年 十二月二十八日授出	
		Type VIII 第VIII類	Type IX 第IX類	Type X 第X類	Type XI 第XI類	Type XII 第XII類	Type XIII 第XIII類	
Closing share price at date of grant	於授出日期之股份 收市價	HK\$1.31港元	HK\$1.31港元	HK\$1.31港元	HK\$1.32港元	HK\$1.40港元	HK\$1.40港元	
Exercise price	行使價	HK\$1.34港元	HK\$1.34港元	HK\$1.34港元	HK\$1.36港元	HK\$1.40港元	HK\$1.40港元	
Expected volatility	預期波幅	52%	52%	52%	49%	51%	51%	
Expected life	預期壽命	0.6 year年	1.5 years年	1.2 years年	1.1 years年	1.0 year年	1.0 year年	
Risk-free interest rate	無風險利率	4.06%	4.33%	4.32%	4.29%	2.54%	2.54%	
Expected annual dividend yield	預期年度股息回 報率	6.87%	6.87%	6.87%	6.82%	6.43%	6.43%	
Fair value per share option	每份購股權之 公平值	HK\$0.180港元	HK\$0.272港元	HK\$0.255港元	HK\$0.217港元	HK\$0.244港元	HK\$0.244港元	

The Model is one of the commonly used models to estimate the fair value of the option. The value of an option varies with different variables of certain subjective assumptions. Any changes in the variables so adopted may materially affect the estimation of the fair value of an option.

35. 以股份為基礎付款之交易 (續)

(a) 本公司之購股權計劃 (續)

年內概無註銷購股權。

就年內行使之3,286,000份購股權，於行使日期之加權平均股價為1.30港元（二零零七年：1.17港元）。

今年及去年授出之購股權之公平值乃按柏力克－舒爾斯期權定價模式（「該模式」）計算，經與本集團概無關連之獨立估值師漢華評值有限公司及永利行評值顧問有限公司分別進行。該模式之輸入值及於二零零七年五月三十日，二零零七年六月八日及二零零七年十二月二十八日授出之購股權之估計公平值概括如下：

該模式為其中一個用以估計購股權公平值之常用模式。購股權之價值因若干主觀假設出現不同變數而各有不同。就變數所採納之任何變動，可能會對就購股權公平值所作出之估計產生重大影響。

35. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(a) Share option scheme of the Company (continued)

The expected volatility used in the Model was determined by using the annualised standard deviation of the continuously compounded rate of return on the ordinary shares of the Company. The expected life used in the Model has been adjusted, based on Management's best estimate, for the effects of non transferability and behavioural considerations.

The total estimated fair value of approximately HK\$4,697,000 (2007: HK\$1,088,000) with respect to share options granted to directors and employees of the Group were charged to the consolidated income statement during the year.

(b) Share option scheme of PYI

On 27 August 2002, PYI adopted a share option scheme (the "PYI Scheme") for the purpose of providing incentive or reward to any employees, executives or officers, directors of PYI and its subsidiaries or any invested entity and any celebrity, consultant, adviser or agent of any member of PYI and its subsidiaries or any invested entity, who have contributed or will contribute to the growth and development of PYI and its subsidiaries or any invested entity ("PYI Eligible Person"). The PYI Scheme will remain in force for a period of ten years from that date.

Under the PYI Scheme, the directors of PYI may at their discretion grant options to any PYI Eligible Person to subscribe for shares in PYI without consideration. The directors of PYI may at their discretion determine the specific exercise period which should expire in any event no later than ten years from date of adoption of the PYI Scheme. The exercise price is determined by the directors of PYI and will be at least the higher of: (i) the subscription price as is permissible under the Listing Rules from time to time; and (ii) the nominal value of the shares of PYI.

35. 以股份為基礎付款之交易(續)

(a) 本公司之購股權計劃(續)

預期波幅乃利用本公司普通股之回報之持續合併比率之年度化標準差釐定。由於非透明性質及行為上考慮之影響，該模式所用之預期壽命已根據管理層之推測予以調整。

授予本集團董事及僱員之購股權之估計公平值總額4,697,000港元(二零零七年: 1,088,000港元)已於本年度之綜合收益表之中扣除。

(b) PYI購股權計劃

於二零零二年八月二十七日，PYI採納新購股權計劃(「PYI購股權計劃」)，以向對或將會對PYI及其附屬公司或任何投資機構作出貢獻之PYI及其附屬公司或任何投資機構之任何僱員、行政人員或高級職員、董事及任何知名人士、諮詢人、顧問或代理人(「PYI合資格人士」)提供激勵或報酬。PYI購股權計劃將自該日起維持有效十年。

根據PYI購股權計劃，PYI董事可酌情向任何PYI合資格人士授出購股權，接納授出之購股權毋需支付任何代價。PYI之董事可酌情釐定行使期限，惟在任何情況下，上述行使期限不得超過自PYI購股權計劃獲採納當日起計十年。行使價由PYI之董事以下列較高者而釐定，至少為(i)根據上市規則不時允許之認購價；及(ii) PYI股份之面值。

35. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) Share option scheme of PYI (continued)

The maximum number of shares that may initially be issued upon the exercise of all options to be granted under the PYI Scheme and any other share option scheme(s) adopted by PYI must not in aggregate exceed 10% of the total number of issued shares of PYI, i.e. 103,674,492 shares of PYI, as at its adoption date. Subject to the approval of the shareholders of PYI in general meeting, the limit may be refreshed to 10% of the total number of shares of PYI in issue as at the date of approval by the shareholders of PYI in general meeting. Notwithstanding the forgoing, the maximum number of shares of PYI which may be issued upon exercise of all outstanding options granted and yet to be exercised under the PYI Scheme and any other share option scheme(s) of PYI must not in aggregate exceed 30% of the total number of shares of PYI in issue from time to time. Pursuant to ordinary resolutions passed at the annual general meeting of PYI in 2003, 2004, 2005 and 2006, the 10% scheme limit was refreshed to 10% of the total number of issued shares of PYI as at the respective dates of such meetings. Pursuant to an ordinary resolution passed at PYI's annual general meeting held on 20 September 2007, the 10% scheme limit was further refreshed to 149,780,440, representing 10% of the total number of issued shares of PYI as at the date of such meeting.

35. 以股份為基礎付款之交易(續)

(b) PYI購股權計劃(續)

根據PYI購股權計劃及PYI所採納任何其他購股權計劃可予授出之購股權初時可認購最多之股份總數，合共不得超過PYI於採納日期已發行股份總數之10%，即103,674,492股。如獲得PYI股東在股東大會上批准，該限額可更新為PYI股東在股東大會上批准當日已發行股份總數之10%。儘管如此，已根據PYI購股權計劃或PYI任何其他購股權計劃授出但尚未行使之所有購股權獲行使時可予發行之股份總數，合共最多不得超過PYI不時已發行股份總數之30%。根據PYI二零零三年、二零零四年、二零零五年及二零零六年股東週年大會上通過之普通決議案，10%之計劃限額已於該等會議舉行之相關日期更新為PYI已發行股份總數之10%。根據PYI於二零零七年九月二十日舉行之股東週年大會上通過之普通決議案，10%之計劃限額獲進一步更新為149,780,440股，佔PYI於該會議舉行日期已發行股份總數之10%。

35. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) Share option scheme of PYI (continued)

The maximum number of shares of PYI in respect of which options may be granted to each PYI Eligible Person under the PYI Scheme and any other share option scheme(s) of PYI (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares of PYI in issue from time to time unless such grant has been duly approved by shareholders of PYI at general meeting at which the PYI Eligible Person and his associates (as defined in the Listing Rules) abstained from voting. Options granted to a substantial shareholder and/or an independent non-executive director of PYI or any of their respective associates (as defined in the Listing Rules) in any 12-month period in excess of 0.1% of total number of shares of PYI in issue and have an aggregate value exceeding HK\$5 million must be approved by the shareholders of PYI at general meeting in advance.

35. 以股份為基礎付款之交易(續)

(b) PYI購股權計劃(續)

於任何十二個月期間，根據PYI購股權計劃及PYI任何其他購股權計劃可授予任何PYI合資格人士之購股權(包括已行使、已註銷及未行使購股權)所涉及之PYI股份數目，最多不得超過PYI不時已發行股份總數之1%，除非此項批授事宜已在PYI合資格人士及其聯繫人士(定義見上市規則)放棄投票之股東大會上獲得PYI股東正式批准，則不受此限。於任何十二個月期間內向PYI每位主要股東及／或獨立非執行董事或彼等各自之任何聯繫人士(定義見上市規則)授出購股權時，若所授出購股權所涉及之股份超過已發行股份總數之0.1%及總值超過5,000,000港元，則事先必須獲得PYI股東在股東大會上批准。

35. SHARE-BASED PAYMENT TRANSACTIONS (continued)

(b) Share option scheme of PYI (continued)

Details of the share options of PYI held by a director of the Company under the PYI Scheme which are granted for the services provided to PYI and movements in such holdings during the current and prior years are as follows:

Date of grant	Vesting date	Exercise period	Exercise price per share	Number of shares of PYI to be issued upon exercise of the share options						
				Outstanding at 1.4.2006	Granted during the year	Exercised during the year	Outstanding at 31.3.2007	Granted during the year	Exercised during the year	Outstanding at 31.3.2008
授出日期	歸屬日期	行使期	每股行使價	於二零零六年四月一日尚未行使	年內授出	年內行使	於二零零七年三月三十一日尚未行使	年內授出	年內行使	於二零零八年三月三十一日尚未行使
			HK\$ 港元							
28.12.2004	28.12.2004	28.12.2004 – 26.8.2012	1.24	6,500,000	-	-	6,500,000	-	-	6,500,000
28.12.2004	28.12.2004	28.12.2004 – 26.8.2012	1.50	6,500,000	-	-	6,500,000	-	-	6,500,000
8.9.2006	8.9.2006	8.9.2006 – 7.9.2007	2.48	-	4,600,000	-	4,600,000	-	(4,600,000)	-
8.9.2006	8.9.2007	8.9.2007 – 7.9.2008	2.48	-	4,600,000	-	4,600,000	-	-	4,600,000
8.9.2006	8.9.2008	8.9.2008 – 7.9.2009	2.48	-	4,600,000	-	4,600,000	-	-	4,600,000
8.9.2006	8.9.2006	8.9.2006 – 7.9.2007	2.43	-	1,000,000	(500,000)	500,000	-	(500,000)	-
8.9.2006	1.8.2007	1.8.2007 – 31.7.2008	2.43	-	1,500,000	-	1,500,000	-	-	1,500,000
8.9.2006	1.8.2008	1.8.2008 – 31.7.2009	2.43	-	1,500,000	-	1,500,000	-	-	1,500,000
18.9.2007	18.9.2007	18.9.2007 – 17.9.2008	3.546	-	-	-	-	3,900,000	-	3,900,000
18.9.2007	18.9.2008	18.9.2008 – 17.9.2009	3.546	-	-	-	-	3,900,000	-	3,900,000
18.9.2007	18.9.2009	18.9.2009 – 17.9.2010	3.546	-	-	-	-	3,900,000	-	3,900,000
				13,000,000	17,800,000	(500,000)	30,300,000	11,700,000	(5,100,000)	36,900,000

There were no options granted to any directors and employees of the Group under the PYI Scheme in respect of services provided to the Group in the current and prior years and, therefore, no share-based payment expense is recognised in the Group's consolidated financial statements in relation to the PYI Scheme.

No options were cancelled or lapsed during the year.

35. 以股份為基礎付款之交易 (續)

(b) PYI購股權計劃 (續)

本公司董事因向PYI提供服務而獲根據PYI購股權計劃授出並持有之PYI購股權以及其於本年及往年內之持有量變動之詳情如下：

本年及往年內概無任何本集團董事及僱員因向本集團提供服務而獲根據PYI之購股權計劃獲授購股權，故無於本集團綜合財務報表確認有關PYI之購股權計劃之以股份為基礎付款之開支。

年內均無已註銷或已失效之購股權。

36. ACQUISITION OF SUBSIDIARIES

On 11 June 2007, the Group acquired the entire interest in PY Property Consultants Limited (formerly known as Fexon Property Consultants Limited), PY (Asia Pacific) Limited (formerly known as China Land (Asia Pacific) Limited) and PY Investments (Samoa) Limited (formerly known as Fexon Investments Limited) (the "Acquirees"), which are engaged in the provision of property consultancy services, at a net consideration of HK\$1,793,000. The acquisition was accounted for using the purchase method of accounting. The amount of goodwill arising as a result of this acquisition is approximately HK\$2,323,000.

36. 收購附屬公司

二零零七年六月十一日，本集團以淨代價1,793,000港元收購從事提供物業顧問服務之保華房產管理顧問有限公司(前稱豐信地產管理顧問有限公司)、保華(亞太)有限公司(前稱華南(亞太)有限公司)及PY Investments (Samoa) Limited(前稱豐信投資有限公司)(「被收購方」)全部權益。此項收購已以收購會計法入賬。就收購所產生之商譽總額約為2,323,000港元。

		2008 HK\$'000 千港元 (Note) (附註)
Net assets acquired:	所購入資產淨值：	
Debtors, deposits and prepayments	應收賬款、訂金及預付款項	1,290
Bank balances and cash	銀行結餘及現金	1
Creditors and accrued expenses	應付賬款及應計開支	(1,628)
Taxation payables	應付稅項	(193)
		(530)
Goodwill arising on acquisition (Note 18)	就收購所產生之商譽(附註18)	2,323
Net consideration	淨代價	1,793
Net cash outflow arising on acquisition of subsidiaries:	收購附屬公司產生之現金流出淨額：	
Bank balances and cash acquired	所購入銀行結餘及現金	1
Cash consideration paid	已付現金代價	(1,793)
		(1,792)

Note: Carrying amount of the Acquirees' net assets acquired before combination is the same as its fair value.

附註：合併前購入之被收購方資產淨值之賬面值與其公平值相同。

36. ACQUISITION OF SUBSIDIARIES (continued)

The goodwill on acquisition represents the value obtainable from synergies with the Group on the economy of scale on the property development management services of the Group.

The subsidiaries acquired did not have any significant impact on the Group's results and cash flows for the year ended 31 March 2008.

If the acquisition had been completed on 1 April 2007, total group revenue and profit for the period would approximate the amounts disclosed in the consolidated income statement.

37. MAJOR NON-CASH TRANSACTIONS

The Group issued additional shares as scrip dividends during both years as set out in note 14.

Part of the consideration amounting to approximately HK\$19,869,000 for the acquisition of an associate has not been fully paid as at 31 March 2008 and is included in creditors and accrued expenses.

36. 收購附屬公司(續)

收購產生之商譽指與本集團物業發展管理服務之經濟規模效益而產生之協同效應之可得價值。

所收購之附屬公司並未對本集團截至二零零八年三月三十一日止年度之業績及現金流轉造成重大影響。

倘收購於二零零七年四月一日完成，期間內之總集團收益及溢利與綜合收益表中所披露款額相若。

37. 重大非現金交易

如附註14所載，本集團於兩個年度內額外發行股份作為以股代息。

於二零零八年三月三十一日，用於收購一間聯營公司之部分代價約19,869,000港元尚未清付，並計入應付賬款及應計費用。

38. RETIREMENT BENEFIT SCHEMES

The Group operates defined contribution retirement benefit schemes for qualifying employees. The assets of the schemes are separately held in funds under the control of trustees.

The cost charged to the consolidated income statement represents contributions payable to the funds by the Group at rates specified in the rules of the schemes. Where there are employees who leave the schemes prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

At the balance sheet date, there were no material forfeited contributions which arose upon employees leaving the schemes prior to their interests in the Group's contributions becoming fully vested and which are available to reduce the contributions payable by the Group in future years.

With effect from 1 December 2000, the Group has joined a mandatory provident fund scheme ("MPF Scheme"). The MPF Scheme is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at the rates specified in the rules. The only obligation of the Group with respect to MPF Scheme is to make the required contributions under the scheme. Under the MPF Scheme, there will not be any forfeited contribution available to reduce the contribution payable by the Group.

The retirement benefit scheme contributions arising from the MPF Scheme charged to the consolidated income statement represent contributions payable to the funds by the Group at the rates specified in the rules of the scheme.

38. 退休福利計劃

本集團為合資格僱員設有已界定供款退休福利計劃。該等計劃之資產由受託人管理之多項基金獨立持有。

於綜合收益表撥出之費用為本集團按該等計劃之規則所定之比例支付予基金之供款。倘僱員在可享有本集團供款所附全部權益前退出該等計劃，本集團應付供款將可按沒收供款之金額遞減。

於結算日，並無因僱員於彼等可享有本集團供款所附全部權益前退出該等計劃而產生可供本集團於未來年度減少應付供款之重大沒收供款。

由二零零零年十二月一日起，本集團加入強制性公積金計劃（「強積金計劃」）。強積金計劃已根據強制性公積金計劃條例在強制性公積金管理局登記。強積金計劃之資產獨立於本集團之資產，由獨立受託人控制之基金持有。根據計劃之規則，僱主及僱員均須各自按規則訂明之比率向計劃供款。本集團有關強積金計劃之僅有責任為根據計劃作出指定之供款。根據強積金計劃，將不會有可遭沒收供款可用作扣減本集團日後應付供款。

因強積金計劃而作出之退休福利計劃供款自綜合收益表扣除，相當於本集團按計劃規則訂明之比率向基金應付之供款。

39. CONTINGENT LIABILITIES

39. 或然負債

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Guarantee given to a bank in respect of banking facilities granted to an associate	就授予一間聯營公司之銀行信貸向銀行授出之擔保	10,481	9,454

At the initial date of providing this guarantee, the directors consider that the fair value of the financial guarantee is insignificant.

於提供該擔保之初始日期，董事認為財務擔保之公平值微不足道。

40. OPERATING LEASE COMMITMENTS

40. 經營租約承擔

At the balance sheet date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

於結算日，本集團在不可撤銷之有關租用物業經營租約方面尚有未來最低租金款項承擔。此等承擔之支付期如下：

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Within one year	一年內	24,894	16,715
In the second to fifth year inclusive	第二至第五年（首尾兩年包括在內）	30,913	42,468
		55,807	59,183

Leases are negotiated, and monthly rentals are fixed, for terms ranging from two to five years.

租約之商討及每月租金之訂定平均期限為二至五年。

41. RELATED PARTY TRANSACTIONS AND BALANCES**41. 關連人士交易及結餘**

(a) The Group entered into the following transactions with its related parties during the year:

(a) 年內，本集團與其關連人士訂立以下交易：

Class of related party 關連人士之類別	Nature of transactions 交易性質	2008 HK\$'000 千港元	2007 HK\$'000 千港元
Associates of the Group 本集團之聯營公司	Project management fee charged by the Group 本集團收取項目管理費	28,874	1,596
	Purchase of concrete products by the Group 本集團購買混凝土產品	—	35
	Rentals and related building management fee charged to the Group 本集團支付租金及相關物業管理費	4,448	18,857
	Building manager remuneration charged by the Group 本集團收取物業管理酬金	243	1,200
	Consultancy fee and carpark rental charged by the Group 本集團收取諮詢費及停車場租金	401	2,511
	Subcontracting fees charged to the Group 本集團支付分包費	3,861	7,798
	Service fees charged by the Group 本集團收取服務費	17	30
Subsidiaries of PYI PYI之附屬公司	Service fees charged by the Group 本集團收取服務費	—	10
	Building manager remuneration charged by the Group 本集團收取物業管理酬金	—	350
	Project management fee charged by the Group 本集團收取項目管理費	1,689	7,779
	Air-conditioning expenses charged by the Group 本集團收取空調費	61	117
Subsidiaries of ITC 德祥企業之附屬公司	Carpark rental charged by the Group 本集團收取停車場租金	32	48
	Purchase of building materials by the Group 本集團購買建築材料	—	40
	Motor vehicle rental charged to the Group 本集團支付車租	190	219
Associates of ITC 德祥企業之聯營公司	Service fees charged by the Group 本集團收取服務費	94	14
	Air-conditioning expenses charged by the Group 本集團收取空調費	44	85
	Service fees charged to the Group 本集團支付服務費	583	401
Other related companies 其他關連公司	Interest charged by the Group 本集團收取利息	—	31

41. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

- (b) The remuneration of directors and other members of key management during the year was as follows:

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
Short-term employee benefits	短期福利	6,662	10,254
Post-employment benefits	退休福利	87	106
Share-based payment expenses	以股份為基礎付款之開支	971	944
		7,720	11,304

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Details of the balances with fellow subsidiaries, associates, jointly controlled entities and related companies at the balance sheet date are set out in notes 26, 27 and 29 respectively.

41. 關連人士交易及結餘(續)

- (b) 年內董事及其他管理層要員之薪酬如下：

董事及行政要員薪酬乃參考個別人員之表現及市場趨勢而釐定。

於結算日與同系附屬公司、聯營公司、共同控制機構及關連公司之交易結餘詳情載列於附註26、27及29。

42. BALANCE SHEET OF THE COMPANY

42. 本公司之資產負債表

		2008 HK\$'000 千港元	2007 HK\$'000 千港元
TOTAL ASSETS	總資產		
Investments in subsidiaries	於附屬公司投資	262,445	256,523
Prepayments	預付款項	–	112
Amount due from a subsidiary	應收一間附屬公司款項	86,645	277,644
Short term bank deposits	短期銀行存款	165,454	–
Bank balances	銀行結餘	41	34
		514,585	534,313
TOTAL LIABILITIES	總負債		
Creditors and accrued expenses	應付賬款及應計開支	1,504	2,374
Bank borrowings	銀行借款	–	63,999
		1,504	66,373
NET ASSETS	資產淨值	513,081	467,940
CAPITAL AND RESERVES	資本及儲備		
Share capital	股本	298,649	294,800
Reserves (Note)	儲備(附註)	214,432	173,140
		513,081	467,940

Note: Movement of reserves of the Company during the current and prior years are as follows:

附註：本公司於本年及往年之儲備變動如下：

42. BALANCE SHEET OF THE COMPANY (continued)

42. 本公司之資產負債表 (續)

		Share premium 股份溢價 HK\$'000 千港元	Special reserve 特別儲備 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Accumulated profits 累計溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 April 2006	於二零零六年四月一日	275,805	(150,000)	137	255	41,330	167,527
Profit for the year	年度溢利	-	-	-	-	50,867	50,867
Recognition of equity-settled share-based payment expenses	確認以股份為基礎付款之開支	-	-	1,088	-	-	1,088
Issue of shares under scrip dividend scheme	根據以股代息計劃發行股份	(3,071)	-	-	-	-	(3,071)
Issue of shares upon exercise of share options	因行使購股權而發行股份	994	-	(244)	-	-	750
Credit arising on scrip dividends	以股代息產生之進賬	-	-	-	-	5,472	5,472
Dividends paid	已付股息	-	-	-	-	(49,493)	(49,493)
At 31 March 2007	於二零零七年三月三十一日	273,728	(150,000)	981	255	48,176	173,140
Profit for the year	年度溢利	-	-	-	-	85,256	85,256
Recognition of equity-settled share-based payment expenses	確認以股份為基礎付款之開支	-	-	4,697	-	-	4,697
Issue of shares under scrip dividend scheme	根據以股代息計劃發行股份	(2,206)	-	-	-	-	(2,206)
Issue of shares upon exercise of share options	因行使購股權而發行股份	1,591	-	(398)	-	-	1,193
Credit arising on scrip dividends	以股代息產生之進賬	-	-	-	-	5,733	5,733
Dividends paid	已付股息	-	-	-	-	(53,381)	(53,381)
At 31 March 2008	於二零零八年三月三十一日	273,113	(150,000)	5,280	255	85,784	214,432

The contributed surplus represents the difference between the consolidated shareholders' funds of the subsidiaries at the date on which they were acquired by the Company, and the nominal amount of the Company's shares issued for the acquisition at the time of the Group reorganisation in a prior year.

The special reserve of the Company represents the difference between the aggregate of the net asset value of, and shareholder's loan to, Paul Y. Management Contracting amounting to HK\$250,000,000 and the issue value of the shares of HK\$400,000,000 as consideration for the acquisition of Paul Y. Management Contracting in a prior year.

實繳盈餘指附屬公司於彼等被本公司收購之日之綜合股東資金，與年前集團重組時為收購而發行之本公司股份面額之差異。

本公司之特別儲備指Paul Y. Management Contracting資產淨值與股東貸款之和250,000,000港元，與年前收購Paul Y. Management Contracting代價之股份發行價值400,000,000港元之差額。

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY

(a) Particulars of the Company's principal subsidiaries at 31 March 2008 are as follows:

Name of subsidiary	Place of incorporation/ registration	Issued and fully paid share capital/ registered capital	Percentage of issued share capital/ registered capital		Principal activities
			held by the Company/ subsidiaries 本公司/ 附屬公司 所持有 已發行股本/ 註冊資本 之百分比 %	attributable to the Group 本集團應佔 已發行股本/ 註冊資本 之百分比 %	
附屬公司名稱	成立／註冊地點	已發行及繳足 股本／註冊資本			主要業務
China Earth Limited 達球有限公司	Hong Kong 香港	HK\$1 ordinary share (note (i) below) 1港元 普通股 (下文附註(i))	100	100	Investment holding 投資控股
Corless Limited	British Virgin Islands 英屬處女群島	US\$2 ordinary shares 2美元 普通股	100	100	Investment holding 投資控股
Paul Y. Building Materials Company Limited	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Trading and installation of building materials 建築材料貿易及裝嵌
Paul Y. – CREC(HK) Joint Venture	Hong Kong 香港	– (note (ii) below) (下文附註(ii))	60	60	Civil engineering 土木工程
Paul Y. (E & M) Contractors Limited 保華機電工程有限公司	Hong Kong 香港	HK\$20,000,000 ordinary shares 20,000,000港元 普通股	99.9998	99.9998	Provision of electrical, mechanical and building services 提供電機及建造服務

43. 主要附屬公司、聯營公司及共同控制機構資料

(a) 本公司主要附屬公司於二零零八年三月三十一日之詳情如下：

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY (continued)

(a) Particulars of the Company's principal subsidiaries at 31 March 2008 are as follows: (continued)

43. 主要附屬公司、聯營公司及共同控制機構資料(續)

(a) 本公司主要附屬公司於二零零八年三月三十一日之詳情如下：(續)

Name of subsidiary	Place of incorporation/ registration	Issued and fully paid share capital/ registered capital	Percentage of issued share capital/ registered capital		Principal activities
			held by the Company/ subsidiaries 本公司/ 附屬公司 所持有 已發行股本/ 註冊資本 之百分比 %	attributable to the Group 本集團應佔 已發行股本/ 註冊資本 之百分比 %	
附屬公司名稱	成立/註冊地點	已發行及繳足 股本/註冊資本			主要業務
Paul Y. Builders Group Limited 保華建造集團有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Investment holding 投資控股
		HK\$1,000,000 non-voting deferred shares (note (iii) below) 1,000,000港元 無投票權遞延股 (下文附註(iii))	—	—	
Paul Y. Builders Limited 保華建造有限公司	Hong Kong 香港	HK\$102,000,000 ordinary shares 102,000,000港元 普通股	100	100	Building construction 樓宇建造
Paul Y. Construction & Engineering Co. Limited 保華建築工程有限公司	Hong Kong 香港	HK\$42,000,000 ordinary shares 42,000,000港元 普通股	100	100	Building construction and specialist works 樓宇建造及專項工程
Paul Y. General Contractors Limited 保華建築營造有限公司	Hong Kong 香港	HK\$36,000,000 ordinary shares 36,000,000港元 普通股	100	100	Civil engineering and building construction 土木工程及樓宇建造

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY (continued)

(a) Particulars of the Company's principal subsidiaries at 31 March 2008 are as follows: (continued)

43. 主要附屬公司、聯營公司及共同控制機構資料(續)

(a) 本公司主要附屬公司於二零零八年三月三十一日之詳情如下：(續)

Name of subsidiary	Place of incorporation/ registration	Issued and fully paid share capital/ registered capital	Percentage of issued share capital/ registered capital		Principal activities
			held by the Company/ subsidiaries 本公司/ 附屬公司 所持有 已發行股本/ 註冊資本 之百分比 %	attributable to the Group 本集團應佔 已發行股本/ 註冊資本 之百分比 %	
附屬公司名稱	成立/註冊地點	已發行及繳足 股本/註冊資本			主要業務
Paul Y. Interior Contractors Limited 保華裝飾工程有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Interior decoration works 室內裝修工程
Paul Y. Plant Hire Limited 保華機械租賃有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Hire of motor vehicles and plant and machinery 汽車、設備及機械租賃
Paul Y. Construction Company, Limited 保華建築有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Civil engineering, building construction and investment holding
		HK\$50,000,000 non-voting preferred shares (note (iv) below) 50,000,000港元 無投票權遞延股 (下文附註(iv))	—	—	土木工程、樓宇建造及 投資控股
Paul Y. Construction (China) Limited 保華建築(中國)有限公司	PRC 中國	RMB60,000,000 registered capital 人民幣60,000,000元 註冊資本	100	100	Civil engineering and building construction 土木工程及樓宇建造

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY (continued)

(a) Particulars of the Company's principal subsidiaries at 31 March 2008 are as follows: (continued)

Name of subsidiary	Place of incorporation/ registration	Issued and fully paid share capital/ registered capital	Percentage of issued share capital/ registered capital		Principal activities
			held by the Company/ subsidiaries 本公司/ 附屬公司 所持有 已發行股本/ 註冊資本 之百分比 %	attributable to the Group 本集團應佔 已發行股本/ 註冊資本 之百分比 %	
附屬公司名稱	成立／註冊地點	已發行及繳足 股本／註冊資本			主要業務
Paul Y. Foundation Holdings Limited	British Virgin Islands 英屬處女群島	US\$1 ordinary share 1美元 普通股	100	100	Investment holding 投資控股
Paul Y. Foundation Limited 保華地基有限公司	Hong Kong 香港	HK\$10,000,000 ordinary shares 10,000,000港元 普通股	100	100	Civil engineering and foundation works 土木工程及地基工程
Paul Y. Management Limited 保華管理有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Management and secretarial services 管理及秘書服務
Paul Y. Project Management International Limited 保華國際工程管理有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Project management services and investment holding 項目管理服務及投資 控股
Paul Y. Facilities Management Co. Limited 保華設施管理有限公司	Hong Kong 香港	HK\$2 ordinary shares 2港元 普通股	100	100	Facilities management services 設施管理服務

43. 主要附屬公司、聯營公司及共同控制機構資料(續)

(a) 本公司主要附屬公司於二零零八年三月三十一日之詳情如下：(續)

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY (continued)

- (a) Particulars of the Company's principal subsidiaries at 31 March 2008 are as follows: (continued)

All of the above subsidiaries operate in Hong Kong except Paul Y. Construction (China) Limited which operates in the PRC.

All of the above subsidiaries are private limited companies except Paul Y. – CREC(HK) Joint Venture which is an unincorporated business.

- (i) Newly acquired during the year.
- (ii) No capital has been contributed by the joint venture partners of the joint venture.
- (iii) The holders of the non-voting deferred shares are not entitled to vote, are not entitled to any dividends for any financial year and are, on winding up or otherwise, only entitled out of the surplus assets of the company to a return of the capital after a total sum of HK\$100,000,000,000,000 has been distributed to the holders of the ordinary shares of the company.
- (iv) The holders of the non-voting preferred shares are not entitled to vote, are not entitled to any dividends unless the net profits of the company available for dividend exceed HK\$100,000,000,000 in which case they should be entitled to a fixed non-cumulative dividend at the rate of 5% per annum for any financial year and are, on winding up, only entitled out of the surplus assets of the company to a return of the capital after a total sum of HK\$10,000,000,000 has been distributed to the holders of the ordinary shares of the company.

43. 主要附屬公司、聯營公司及共同控制機構資料(續)

- (a) 本公司主要附屬公司於二零零八年三月三十一日之詳情如下：(續)

上述所有附屬公司均主要在香港營運，惟保華建築(中國)有限公司在中國營運。

上述所有附屬公司均為私人有限公司，惟 Paul Y. – CREC(HK) Joint Venture 為非法人團體。

- (i) 年內新購入。
- (ii) 此合營企業之合營各方並無出資。
- (iii) 此等無投票權遞延股持有人無權投票，亦無權獲派任何財政年度之股息，且只有權在該公司清盤時或在其他情況下分派總數100,000,000,000,000港元予該公司普通股持有人後尚有剩餘資產之情況下，獲退還資本。
- (iv) 此等無投票權優先股持有人無權投票，亦無權獲派股息，除非該公司可供派息純利超過100,000,000,000港元，在此情況下，彼等有權就任何財政年度獲派一項年息為5%之固定非累積股息，且只有權在該公司清盤時分派總額10,000,000,000港元予該公司普通股持有人後尚有剩餘資產之情況下，獲退還資本。

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY (continued)

(b) Particulars of the Company's principal associates at 31 March 2008 are as follows:

Name of associate	Place of incorporation/ registration	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本	Percentage of issued share capital/registered capital attributable to the Group 本集團應佔 已發行股本/註冊 資本之百分比 %	Principal activities
聯營公司名稱	成立/註冊地點			主要業務
CSCEC – Paul Y. Construction Company Limited 中建保華建築有限責任公司	PRC 中國	US\$10,000,000 registered capital (note (i) below) 10,000,000美元 註冊資本 (下文附註(i))	31.3	Civil engineering and building construction 土木工程及樓宇建造
Gain Resources Limited	British Virgin Islands 英屬處女群島	US\$100 ordinary shares 100美元 普通股	25	Investment holding 投資控股
Zhong Yu - Paul Y. Project Management Company Limited 北京中宇保華工程項目 管理有限公司	PRC 中國	US\$500,000 registered capital (note (i) below) 500,000美元 註冊資本 (下文附註(i))	40	Project management and consultancy services 項目管理及諮詢服務
浙江美聯置業有限公司	PRC 中國	RMB10,000,000 registered capital (note (ii) below) 人民幣10,000,000元 註冊資本 (下文附註(ii))	50	Investment holding 投資控股
杭州先鋒科技開發有限公司	PRC 中國	RMB10,000,000 registered capital (note (ii) below) 人民幣10,000,000元 註冊資本 (下文附註(ii))	50	Property holding 持有物業

43. 主要附屬公司、聯營公司及共同控制機構資料(續)

(b) 本公司主要聯營公司於二零零八年三月三十一日之詳情如下：

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITY (continued)

- (b) Particulars of the Company's principal associates at 31 March 2008 are as follows: (continued)

All of the above associates are held by the Company indirectly.

- (i) The company is a sino-foreign equity joint venture company.
(ii) Newly acquired during the year.
- (c) Particulars of the Company's principal jointly controlled entity at 31 March 2008 are as follows:

Name of jointly controlled entity	Place of incorporation/ registration	Issued and fully paid share capital 已發行及 繳足股本	Percentage of issued share capital attributable to the Group 本集團應佔已發行 股本之百分比 %	Principal activities
共同控制機構名稱	成立／註冊地點			主要業務
Paul Y. – Penta-Ocean Joint Venture	Hong Kong 香港	– (note below) (下文附註)	50	Civil engineering 土木工程

Note: No capital has been contributed by the joint venture partners.

The above tables list the subsidiaries, associates and a jointly controlled entity of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries, associates and jointly controlled entities would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding at the end of the year or at any time during the year.

43. 主要附屬公司、聯營公司及共同控制機構資料(續)

- (b) 本公司主要聯營公司於二零零八年三月三十一日之詳情如下：(續)

上述所有聯營公司均由本公司間接持有。

- (i) 此公司乃為中外合資合營公司。
(ii) 年內新購入。
- (c) 本公司主要共同控制機構於二零零八年三月三十一日之詳情如下：

附註：合營各方並無出資。

以上各表所列為董事認為主要影響本集團年度業績或組成本集團大部份淨資產之本公司附屬公司、聯營公司及一間共同控制機構。董事認為，詳列其他附屬公司、聯營公司及共同控制機構之資料將令篇幅冗長。

概無附屬公司於年底或於本年度任何時間擁有尚未行使之任何債務證券。

Financial Summary

財務概要

For the year ended 31 March

截至三月三十一日止年度

		2004 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元
RESULTS	業績					
Turnover	營業額	3,334,023	3,247,683	3,109,876	4,359,329	4,913,022
Profit (loss) before taxation	除稅前溢利(虧損)	(69,625)	79,559	104,277	109,435	129,730
Taxation	稅項	7,215	(1,836)	(3,196)	(8,401)	(9,747)
Profit (loss) for the year	年度溢利(虧損)	(62,410)	77,723	101,081	101,034	119,983
Attributable to:	以下人士應佔：					
Equity holders of the Company	本公司之權益持有人	(61,671)	80,006	100,902	112,621	119,479
Minority interests	少數股東權益	(739)	(2,283)	179	(11,587)	504
		(62,410)	77,723	101,081	101,034	119,983

As at 31 March

於三月三十一日

		2004 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2007 HK\$'000 千港元	2008 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	總資產	1,701,217	1,676,923	1,937,190	2,561,371	2,632,755
Total liabilities	總負債	(1,685,698)	(1,353,457)	(1,556,946)	(2,106,435)	(2,094,809)
Total equity	總權益	15,519	323,466	380,244	454,936	537,946
Attributable to:	以下人士應佔：					
Equity holders of the Company	本公司之權益持有人	5,071	316,101	369,900	442,116	523,763
Minority interests	少數股東權益	10,448	7,365	10,344	12,820	14,183
		15,519	323,466	380,244	454,936	537,946

BOARD OF DIRECTORS

James Chiu, OBE, JP	Chairman (Independent Non-Executive Director)
Lau Ko Yuen, Tom	Deputy Chairman (Non-Executive Director)
Mok Yat Fan, Edmond	Executive Director & Chief Executive Officer
Cheung Lee Ming, Andy	Executive Director & Chief Financial Officer
Lee Chack Fan, SBS, JP	Independent Non-Executive Director
Iain Ferguson Bruce	Independent Non-Executive Director

AUDIT COMMITTEE

James Chiu, OBE, JP (Chairman)
Lee Chack Fan, SBS, JP
Iain Ferguson Bruce

REMUNERATION COMMITTEE

James Chiu, OBE, JP (Chairman)
Mok Yat Fan, Edmond
Lee Chack Fan, SBS, JP

NOMINATION COMMITTEE

Lee Chack Fan, SBS, JP (Chairman)
Lau Ko Yuen, Tom
Iain Ferguson Bruce

FINANCE AND INVESTMENT COMMITTEE

Iain Ferguson Bruce (Chairman)
Mok Yat Fan, Edmond
Cheung Lee Ming, Andy

DISCLOSURES COMMITTEE

Iain Ferguson Bruce (Chairman)
Lau Ko Yuen, Tom
Cheung Lee Ming, Andy

EXECUTIVE COMMITTEE

Mok Yat Fan, Edmond (Chairman)
Cheung Lee Ming, Andy

QUALIFIED ACCOUNTANT

Law Hon Wa, William

COMPANY SECRETARY

Mui Ching Hung, Joanna

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Deloitte Touche Tohmatsu

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劉高原	副主席 (非執行董事)
莫一帆	執行董事兼行政總裁
張利民	執行董事兼財務總裁
李焯芬, SBS, JP	獨立非執行董事
Iain Ferguson Bruce	獨立非執行董事

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李焯芬, SBS, JP
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Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd., Hong Kong Branch
China Construction Bank (Asia) Corporation Limited
CITIC Ka Wah Bank Limited
BNP Paribas
DBS Bank (China) Limited, Beijing Branch
DBS Bank (Hong Kong) Limited
Fubon Bank (Hong Kong) Limited
The Bank of East Asia, Limited
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中國建設銀行(亞洲)股份有限公司
中信嘉華銀行有限公司
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